

Volume III
TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1965

No. 106

FEDERAL TRADE COMMISSION, PETITIONER,

vs.

THE BORDEN COMPANY

**ON WRIT OF HABEAS CORPUS TO THE UNITED STATES COURT OF
APPEALS FOR THE FIFTH CIRCUIT**

**PETITION FOR HABEAS CORPUS FILED MAY 2, 1966
HABEAS CORPUS GRANTED OCTOBER 11, 1966**

(Pages 741 to 851)

COMMISSION'S EXHIBIT No. 30-A

Mr. W. T. Crowe
Atlanta Office

A. J. Berry, Jr.

CONFIDENTIAL

May 31, 1957

Dear Bill:

During the past few weeks, in response to earnest solicitation by customers, we have accepted additional Private Label Evaporated Milk business in your Division. Specifically, we have taken on the following accounts:

Account	Plant	Brand	Whse. Point	Est. Yr. Vol.
Consolidated Co.	Lewisburg	Autocrat	New Orleans	9,000
Thomas & Howard	Chester	Table Hints	Salisbury, N.C.	5,000
Thomas & Howard	Lewisburg	Table Hints	Macon, Ga.	5,000
Winn-Dixie	Chester	Dixie Home	Greenville, S.C.	50,000
Colonial Stores	Chester	C. S.	Columbia, S.C.	
Colonial Stores	Chester	C. S.	Raleigh, N.C.	
Colonial Stores	Lewisburg	C. S.	Atlanta, Ga.	

In connection with Colonial, their total yearly volume is 125,000 cases *including* the Norfolk, Virginia warehouse. As we don't have a breakdown as yet, we couldn't give you the volume at each point. We have already shipped to Thomas & Howard, Salisbury.

We hold orders to be shipped during the first half of June for Winn-Dixie, Greenville; for Colonial, Atlanta, Columbia and Raleigh, and for Thomas & Howard, Macon, also for Consolidated Co.

Our policy, Bill, has *not* changed with respect to P. L. We have *not* solicited any business and do not intend doing so. We have, however, looked at what has been offered and have accepted some on a permanent basis where it fitted into our production situation and long term plans.

In keeping with our policy, we will pay brokerage on the above of 2-1/2c per case Tall Size basis. Naturally, you will want to notify any Brokers concerned so they will be posted. In doing so, Bill, please cover the following:

1. They will have no duties to perform on this P. L. business. They will not have to pick up orders, make out invoices, etc. Everything will be handled by the Home Office

COMMISSION'S EXHIBIT No. 30-B

2. If the P. L. customer should try to discuss their P. L. business with our Broker (or with any Borden Representative), he should indicate that he has no knowledge of the details and is, therefore, not in a position to discuss the matter. Our Brokers *should not* bring up the subject themselves.

3. The Broker will receive 2-1/2 cents per case credit on the regular Commission Statement for all shipments.

4. Should any account approach a Broker about packing P. L. Evap, no commitment should be made. The inquiry, with all available details, should be referred to you for further reference to the Home Office. We do *not* wish Brokers to solicit such business.

If we get any additional business, I'll let you know all the details.

With best regards.

A. J. BERRY, JR.

AJB:ED

cc: S. D. Thompson
O. D. Hall

SALES REPRESENTATIVE.

0.5/3/57

02020
PATENT

070

Schedule

10/10/2004

503M-16

THOMAS & HOWARD
SALISBURY, N.C.

[illegible]

ROCKET NO. 1417
THE MATTER OF

DATE 12/1/64
ACB 12/1/64
12/1/64

88

NO BRAND

BRACE EVAP

8

634.2

61/97
01.10

10

THE UNIVERSITY OF CHICAGO

THE BORDEN FOOD PRODUCTS COMPANY
A DIVISION OF THE BORDEN COMPANY

3018

1085

1813-88

FORM 100-1
REV. 1-1-57
SALES DEPARTMENT

803

DATE 11/25/57
SHIP 11/25/57

SHIPPED FROM CHESTER S C

CUSTOMER'S ORDER NO. OUR ORDER NO.
GM 04861 21046

BIDDLE PURCHASING CO
200 W ADAMS ST
CHICAGO 6, ILL

FEDERAL TRADE COMMISSION
EXHIBIT NO. 1247

AGS REPORTING CO. - ORIGINATOR

IN THE MATTER OF *Ag*
ROBERT M. 1247

BY *Ag*
AGS REPORTING CO. - ORIGINATOR

NET

ADDRESS
COLONIAL STORES INCORPORATED
NORFOLK, VA

SHIP TO

QUANTITY	SIZE, PACK AND BRAND	STOCKING	PRICE	TRADE DISCOUNT	AMOUNT
1200	C. S. TALL EVAP	0528	4.9361		5923.32
175	C. S. SMALL EVAP	0050	2.4221		630.17
	BASIC CHARGES				
	CARTONS				
	HAULING				
	ACTUAL MILK COST				
	TALL				
	SMALL				
	EVAP MILK SUBJECT TO 2/10 OF 1% SWELL ALLOWANCE				
	FREIGHT ON SMALL LEWISBURG-CHESTER				
	COST OF FREIGHT				
					271.45
					633.92
					1247

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

3181

3

9276

SALES DEPARTMENT

RD 2/11/57
DIXON ILLCUSTOMER'S ORDER NO. 51274
8048SALES REPRESENTATIVE
#2501

2/21/57

10220

TOPCO ASSOCIATES, INC.
431 SO DEARBORN ST
CHICAGO 5, ILLFEDERAL TRADE COMMISSION
IN THE MATTER OF *Topco Associates, Inc.*
V. *Wines*
AGS REPORTING CO. - DALLAS, TEXASBIG BEAR STORES
770 W GOODALE BLVD
COLUMBUS, OHIO

ICC - CHGO - PRR

NET

CART	QTY	SIZE, PACK AND BRAND	STC #	RATE	PRICE	THRU	COUNTY	AMOUNT
1166		FOOD CLUB TALL EVAP	0725		5.2256			6093 05
		BASIC CHARGES		1.92				
		CARTONS		1.11				
		ACTUAL MILK COST		3.0716				
		HAULING		.04				
		LABELS		.083				
				5.2256				
								6352 92
								3376
								1443

1166 FOOD CLUB TALL EVAP

0725

5.2256

COND & EVAP MILK
SUBJECT TO 1/10 OF
1% SWELL ALLOWANCE

6093 05

BASIC CHARGES

1.92

CARTONS

1.11

ACTUAL MILK COST

3.0716

HAULING

.04

LABELS

.083

5.2256

6352 92

3376

THE DORLEN FOOD PRODUCT COMPANY
DIVISION OF THE DORLEN COMPANY

Pg 3383

FORM A 210, N. Y.
JULY 1954

1006

10/20/57
711 BOX 111

Y1A

Address

C-906108

Figure 5.9

Notes:

1111

2

FOOD CLUB TALL EVAP

BASIC CHARGES

CARTONS

HAULING

HAULING ACTUAL MILK COST

2:03

●

5

125

1210

5.2164

EVAN WILL SUZUKI

to 1/10 of 1%

SMALL ALLIANCE

COST OF LABELS 513071 1503

COST OF FREIGHT

3193 76

3383

STRENGTH A VOICE!

THE BORDEN FOOD PRODUCTS COMPANY
A DIVISION OF THE BORDEN COMPANY

DIVISION OF THE WORKMAN COMPENSATION

549

5

Fig 3564.

SHIPPED TO 11/29/57
FROM LEWISBURG TENN

CUSTOMER'S ORDER NO. OUR ORDER NO.
21244

SALES REPRESENTATIVE
2501

12/10/57

BIODLE PURCHASING CO
300 W. ADAMS ST
CHICAGO 6 ILL

COMMISSION EXHIBIT NO. 1632
FEDERAL TRADE COMMISSION
DOCKET NO. 7179
IN RE MATTER OF THE Borden Food Products Company
WITNESS
AGE REPORTING CO. ORIGINALLY REPORTED BY
DATE 11/29/57

COLONIAL STORES
COLUMBUS OHIO

SHIPPED TO
ADDRESS
ROUTED

GENERAL SHEET NO.

NET

TERMS

30 DAYS
REMITTANCE TO BE MADE TO
311 MADISON AVE., NEW YORK
10, N. Y. IN FULL PAYABLE
AT 100%

CASE'S	SIZE, PACK AND BRAND	STOCKING	PRICE	TRADE DISCOUNT	AMOUNT
700	C.S. TALL EVAP	0828	4.999 EVAP MILK SUBJECT TO 1/10 OF 1% MELL ALLOWANCE		3499 80
	BASIC CHARGES		TALL		3 50
	EARTONS		1.93		3499 80
	HAULING		.108		5 15
	ACTUAL MILK COST		.09		273 60
			4.999		3714 55

ALL 1957 INVOICE

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE JORDEN COMPANY

3564

1632

FORM A 210 N. Y. 1189

SALES DEPARTMENT

DATE SHIPPED
12/10/51

SHIPPED FROM
LEWISBURG TENN

CUSTOMER'S ORDER NO. OUR ORDER NO.
20749 2039

VIA

SOLD TO

APRILLES

BIDDLE, PURCHASING CO
300 W. ADAMS ST
CHICAGO 6 ILL

FEDERAL TRADE COMMISSION
DOCKET NO. 7179
WITNESS
FEDERAL REPORTING CO., Official Reporter

MCCARTY - HOLMAN
JACKSON, MISS

SHIPPED TO

ADDRESS

ROUTE

11355



ORIGINAL SHIPMENT

NLT

TRANS
100 N. Y. ST. N. Y. ST. N. Y. ST.
100 N. Y. ST. N. Y. ST. N. Y. ST.

CASES	SIZE, PACK AND BRAND	STOCK NO.	PRICE	THIRD DISCOUNT	AMOUNT
-------	----------------------	-----------	-------	----------------	--------

625

JUNGLE QUEEN TALL EVAP
BASIC CHARGES 1.98
CARTONS .103
HAULING .09
ACTUAL MILK COST 2.171
4.999

0937

4.999
EVAP MILK SUBJECT
TO 1/10 OF 1% WELL
ALLOWANCE.

3124 28

3121 20

FACTORY INVOICE

3565

1633

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

7

SHIPPED FROM

PERRIN MICH

51253

CUSTOMER'S ORDER NO. OUR ORDER NO.

7310

2501

SALES REPRESENTATIVE

VIA

TOPCO ASSOCIATES INC
431 S DEARBORN ST
CHICAGO 5 ILLINOIS

ADDRESS

FEDERAL TRADE COMMISSION
COMMISSION EXHIBIT NO. 1918
DOCKET NO. 714 *The Borden Co.*

BIG BEAR STORES
770 W DOCCALE BL
COLUMBUS OHIO

SHIPPED TO

ADDRESS

ROUTE

GENERAL FREIGHT NO.

NET

ROUTE

CASES

UNIT, PACK AND BRAND

TRADE DISCOUNT

AMOUNT

1151

TALL FOOD CLUB EVAP

0725

5-2607

6055.07

BASIC CHARGES

1.92

CARTONS

1111

ACTUAL MILK COST

3.1067

HAULING

.04

LABELS

.083

5.2607

COND & EVAP MILK
SUBJECT TO 1% OF
1% SWELL ALLOWANCE

COST OF CIXON FRY.

205.74

6314.75

6.06

6049.01

FACTORY DIVISION

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

3850

1918

8

VOLUME OF BORDEN LABEL

EVAPORATED MILK SALES

1956	4,356,332 cases
1957	4,314,415 cases

The foregoing are tall case equivalents.
A tall case is 48 tall cans. A case of 96 small
cans counts as one in the above figures. A case
of 48 small cans counts as one-half.

P. O. Box 1540, Fort Worth, Texas

COMMISSION'S EXHIBIT No. 2173-A

DATE	INVOICE	No. CASES	BRAND	VALUE*
ALBUQUERQUE				
April 6, 1958	C041161	350	Elite	2047.50
July 9	C-41538	250	"	1500.00
Sept. 16	C-41790	400	"	2400.00
Dec. 6	C-42154	500	"	3015.00
Feb. 3, 1958	C-42429	200	"	1230.00
		<u>1700</u>		<u>10192.50</u>
SANTA FE				
Jan. 12, 1957	C-40759	200	Elite	1170.00
April 6	C-41138	200	"	1170.00
July 9	C-41539	350	"	2100.00
Sept. 16	C-41791	150		900.00
		<u>900</u>		<u>5340.00</u>
LAS VAGAS				
April 6, 1957	C-41139	100	Elite	585.00
July 9	C-41540	50	"	300.00
Sept. 16	C-41792	100	"	600.00
		<u>250</u>		<u>1485.00</u>

Total all houses 2800 cases
\$ 1485.00 value

* Amount of invoices before any deduction for freight, labels or discount.

FEDERAL TRADE COMMISSION

DOCKET NO. 7239

COMMISSION EXHIBIT NO. 2173A

IN THE MATTER OF

DATE 9/23/58

WITNESS

ACE REPORTING CO., Official Reporter

By

4129

KIMBELL GROCERY COMPANY
P. O. Box 1540, Fort Worth, Texas

Sales January 1, 1957-April 22, 1958

FORT WORTH
DATE

DATE	INVOICE	NO. CASES	BRAND	VALUE
July 22, 1957	C-41571	50	Page	317.50
Nov. 19	C-42069	350		2082.50
Jan. 20, 1958	C-42333	100		610.00
		500		3010.00

AMARILLO

DATE	INVOICE	NO. CASES	BRAND	VALUE
Feb. 26, 1957	C-40999	150	Page	877.50
June 11	C-41394	25		150.00
Aug. 9	C-4677	25		150.00
		200		1177.50

SWEETWATER

DATE	INVOICE	NO. CASES	BRAND	VALUE
Feb. 25	C-40938	100	Page	585.00
June 15	C-41434	50		300.00
Aug. 17	C-41670	50		300.00
Dec. 21	C-42151	50		307.50
Jan. 15, 1958	C-42298	50		307.50
		300		1800.00
		1000		\$5987.50

Above invoices cover evaporated milk only. Amount of invoice before any deductions for freight or label allowance or discount.

126 West Fourth St.
San Angelo, Texas

Sales January 1, 1957-August 31, 1958

<u>DATE</u>	<u>INVOICE #</u>	<u>NO. CASES</u>	<u>BRAND</u>	<u>VALUE *</u>
June 15, 1957	C-411427	400	NANCEE	2380.00
July 15,	C-411547	400	"	2380.00
Aug. 17	C-411673	400	"	2380.00
Sept. 7	C-411745	475	"	2826.25
Oct. 15	C-411929	400	"	2380.00
Nov. 16	C-42033	550	"	3272.50
Dec. 12	C-42179	400	"	2440.00
Jan. 15, 1958	C-42291	400	2	2440.00
Feb. 11	C-42449	400	"	2440.00
Mar. 12	C-42590	400	"	2440.00
		<u>4225</u>		<u>25378.75</u>

*Amount of invoice before any deductions for freight, label allowance or discount.

FEDERAL TRADE COMMISSION
DOCKET NO. 7129 COMMISSION EXHIBIT NO. 2174
IN THE MATTER OF The Boyden Co.
DATE 7/23/58 WITNESS Keith
ACE REPORTING CO., Official Reporter
By 1, 62

WINN DIXIE-HILL, INC.
1001 E. Broad St., New Orleans, 10, La.

DATE	INVOICE	TALL CS.	BABY CS.**	BRAND	VALUE*
June 22, 1957	C-41408	700		Velva	\$ 4165.00
July 3	C-41470	650	50	"	4165.00
Aug. 3	C-41634	675	25	"	4165.00
Sept. 9	M-24082	1075	125	"	7140.00
Nov. 8	C-41975	675		"	4016.25
Dec. 2	C-42127	600	100	"	4165.00
10	C-42128	600	50	"	3867.50
Jan. 25, 1958	C-42388	625		"	4117.50
March 3	M-25146	700	50	"	4422.50
24	C-42594	680	25	"	4148.00
May 5	C-42809	680		"	4046.00
June 24	C-43001	675		"	4016.25
		<u>8335</u>	<u>425</u>		<u>52434.00</u>

* Amount of invoices before any deductions are made for freight, labels, or discount.

**Cases of Baby 48's listed as 1/2 cases.

FEDERAL TRADE COMMISSION
DOCKET NO. 77-278 COMMISSION EXHIBIT NO. 2175
IN THE MATTER OF I & B, Inc.
DATE 9/23/58 WITNESS [Signature]
ACE REPORTING CO., Official Reporter
By [Signature]

CUSTOMER

Morris Siegel
80 S. Pennsylvania Ave.,
Wilkes-Barre, Pa.

<u>DATE OF INVOICE</u>	<u>NO. CASES</u>	<u>NET AMT. OF INVOICE</u>
3-18-1957	230 T 20 #10	1441.20
4-25-1957	290 T 10 #10	1725.10
10-10-1957	275 T 25 #10	1726.75
11- 6-1957	25 #10	153.75
11-19-1957	263 T 15 #10	1596.61
12-19-1957	300 T	1761.00
2- 4-1958	300 T	1761.00
TOTALS	1,753 cs.	\$10,165.41

B
B
W
B
W
W
W

757

COMMISSION'S EXHIBIT No. 2176

FEDERAL TRADE COMMISSION
EXHIBIT NO. 2176
DOCKET NO. 1-1-1
IN THE MATTER OF
WITNESS
DATE
ACE REPORTING CO., OFFICIAL REPORTER
BY

2176

4133

CUSTOMER

Banker & Williams Co.,
Cliff Street & Bogart Place
Scranton, Pa.

<u>DATE OF INVOICE</u>	<u>NO. CASES</u>	<u>NET AMOUNT OF INVOICE</u>
4- 1-1957	540	3099.60
5- 2-1957	600	3444.00
6- 2-1957	600	3432.00
7-11-1957	600	3372.00
8-14-1957	600	3420.00
9-17-1957	600	3480.00
10-10-1957	10 - #10's	61.50
10-28-1957	600	3480.00
11-26-1957	600	3480.00
1- 5-1958	600	3570.00
2- 2-1958	600	3570.00
3-11-1958	600	3570.00
TOTALS	6,550	\$37,979.10

B B W W W B W W W B W B W

COMMISSION'S EXHIBIT No. 2177

FEDERAL TRADE COMMISSION
DOCKET NO. 7-1-1958 EXHIBIT NO. 2177
IN THE MATTER OF _____
WITNESS _____
DATE _____
ACE REPORTING CO., Official Reporter
By _____

7157

ACZ REPORTING CO. Official Reporter

By

DATE OF INVOICE

**Liberal Markets
Dayton, Ohio.**

NO. CASES	NET AMT. OF INVOICE
1	100.00
2	200.00
3	300.00
4	400.00
5	500.00
6	600.00
7	700.00
8	800.00
9	900.00
10	1000.00
11	1100.00
12	1200.00
13	1300.00
14	1400.00
15	1500.00
16	1600.00
17	1700.00
18	1800.00
19	1900.00
20	2000.00
21	2100.00
22	2200.00
23	2300.00
24	2400.00
25	2500.00
26	2600.00
27	2700.00
28	2800.00
29	2900.00
30	3000.00
31	3100.00
32	3200.00
33	3300.00
34	3400.00
35	3500.00
36	3600.00
37	3700.00
38	3800.00
39	3900.00
40	4000.00
41	4100.00
42	4200.00
43	4300.00
44	4400.00
45	4500.00
46	4600.00
47	4700.00
48	4800.00
49	4900.00
50	5000.00
51	5100.00
52	5200.00
53	5300.00
54	5400.00
55	5500.00
56	5600.00
57	5700.00
58	5800.00
59	5900.00
60	6000.00
61	6100.00
62	6200.00
63	6300.00
64	6400.00
65	6500.00
66	6600.00
67	6700.00
68	6800.00
69	6900.00
70	7000.00
71	7100.00
72	7200.00
73	7300.00
74	7400.00
75	7500.00
76	7600.00
77	7700.00
78	7800.00
79	7900.00
80	8000.00
81	8100.00
82	8200.00
83	8300.00
84	8400.00
85	8500.00
86	8600.00
87	8700.00
88	8800.00
89	8900.00
90	9000.00
91	9100.00
92	9200.00
93	9300.00
94	9400.00
95	9500.00
96	9600.00
97	9700.00
98	9800.00
99	9900.00
100	10000.00

NO. CASES	DATE	DESCRIPTION
1	1901	...
2	1902	...
3	1903	...
4	1904	...
5	1905	...
6	1906	...
7	1907	...
8	1908	...
9	1909	...
10	1910	...
11	1911	...
12	1912	...
13	1913	...
14	1914	...
15	1915	...
16	1916	...
17	1917	...
18	1918	...
19	1919	...
20	1920	...
21	1921	...
22	1922	...
23	1923	...
24	1924	...
25	1925	...
26	1926	...
27	1927	...
28	1928	...
29	1929	...
30	1930	...
31	1931	...
32	1932	...
33	1933	...
34	1934	...
35	1935	...
36	1936	...
37	1937	...
38	1938	...
39	1939	...
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42	1942	...
43	1943	...
44	1944	...
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51	1951	...
52	1952	...
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67	1967	...
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69	1969	...
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73	1973	...
74	1974	...
75	1975	...
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79	1979	...
80	1980	...
81	1981	...
82	1982	...
83	1983	...
84	1984	...
85	1985	...
86	1986	...
87	1987	...
88	1988	...
89	1989	...
90	1990	...
91	1991	...
92	1992	...
93	1993	...
94	1994	...
95	1995	...
96	1996	...
97	1997	...
98	1998	...
99	1999	...
100	2000	...

NET AMT. OF INVOICE

3-14-1956
5-14-1956
10-16-1956
11-28-1956

500	2690.00
600	3168.00
600	3252.00
600	3252.00

L W L L M

2-27-1957

600 3312.00

五

TOTALS

2,900 cs. ~~2,900~~ \$15,674.00

2005 215,674.00

759

COMMISSION'S EXHIBIT No. 2178

4
r
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c

COMMISSION'S EXHIBIT No. 2179

<u>CUSTOMER</u>	<u>DATE OF INVOICE</u>	<u>NO. CASES</u>	<u>NET AMT. OF INVOICE</u>	
Tusco Grocers, Inc., Uhrichsville, Ohio.	4-20-1956	25 Keystone 200 Shurfine	133.67 1046.32	B
	5-18-1956	200 Shurfine	1046.32	B
	6-8 -1956	35 Keystone 200 Shurfine	187.14 1046.32	B
	6-22-1956	200 Shurfine	1096.27	B
	7-27-1956	35 Keystone 200 Shurfine	195.89 1096.27	B
	8-24-1956	25 Keystone 200 Shurfine	139.92 1096.27	B
	9-14-1956	25 Keystone 200 Shurfine	139.92 1096.27	B
	10- 5-1956	35 Keystone 200 Shurfine	195.89 1094.27	B
	10-26-1956	25 Keystone 200 Shurfine	139.92 1096.27	B
	11-16-1956	25 Keystone 200 Shurfine	139.92 1096.27	B
	12-12-1956	25 Keystone 200 Shurfine	139.92 1096.27	B
	12-27-1956	25 Keystone 200 Shurfine	139.92 1096.27	B
	1-11-1957	25 Keystone 200 Shurfine	139.92 1096.27	B
	2- 1-1957	25 Keystone 200 Shurfine	139.92 1096.27	B
	2-22-1957	25 Keystone 200 Shurfine	139.92 1096.27	B
	2-27-1957	200 Shurfine	1096.27	B
	3- 7-1957	25 Keystone 225 Shurfine	139.92 1233.30	B
	TOTALS	3,805 cs.	\$20,733.56	

FEDERAL TRADE COMMISSION
 RECEIVED
 IN THE MATTER OF
 BUSINESS REPORTING CO.
 OFFICIAL REPORTS
 7-27-1956

WITNESS
ACE REPORTING CO., Official Reporter
By

CUSTOMER

Star Markets
540 Gallivan Blvd.,
Dorchester, 24, Mass.

DATE OF INVOICE NO. CASES NET AMT. OF INVOICE

2-15-1955	500	2665.00	L
3-11-1955	500	2665.00	L
11-28-1955	500	2665.00	B
1-20-1956	600	3288.00	L
TOTALS	2,100 cs.	\$11,283.00	

761

COMMISSION'S EXHIBIT No. 2180

18 P. 2137

FEDERAL TRADE COMMISSION
DECEMBER 12, 1934

1912-13

NO. 125

DATE _____

Stellen

ACE REPORTING CO., Official Reporter

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CUSTOMER

Supreme Markets
470 Broadway
South Boston, Mass.

DATE OF INVOICE

<u>NO. CASES</u>	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100																																						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	2

NET AMT. OF INVOICE

10-20-1955

05
400 T B

2307.75

I

9561-71-1

1007

2192.00

I

1-20-1956

250 T

1370.CO

I

6-11-1956

T 057

2421.00

I

TOTALS

1,525 cs.

49,290.75

COMMISSION'S EXHIBIT No. 2181

DATE _____
 ACE REPORTING CO., Official Reporter
 By _____

CUSTOMER

George C. Shaw Co.,
 540 Gallivan Blvd.,
 Dorchester 24, Mass.

<u>DATE OF INVOICE</u>	<u>NO. CASES</u>	<u>NET AMT. OF INVOICE</u>	
3-11-1955	300	1599.00	L
11-28-1955	200	1066.00	B
1-14-1956	400	2192.00	L
2-29-1956	350	1918.00	L
TOTALS	1,250 cs.	\$6,775.00	

COMMISSION'S EXHIBIT No. 2182

20

7-2139

FEDERAL TRADE COMMISSION
 CASE NO. 77-114-1955 EXHIBIT NO. 2183
 IN THE MATTER OF *Public Markets*
 DATE *10-20-1955* WITNESS *[Signature]*
 ACE REPORTING CO., Official Reporter
 By *[Signature]*

CUSTOMER

Brockton Public Markets
 157 Main Street
 Brockton, Mass.

<u>DATE OF INVOICE</u>	<u>NO. CASES</u>	<u>NET AMT. OF INVOICE</u>
10-20-1955	250	1357.50 L
1-14-1956	300	1644.00 L
6-11-1956	250	1345.00 L
TOTALS	800 cs.	\$4,346.50

Customer

DATE OF INVOICE

NO. CASES

NET AMT. OF INVOICE

Pick-N-Pay Super Mkts.,
3621 Chester Avenue
Cleveland, Ohio.

5-11-1956
6-15-1956
7-12-1956
10- 8-1956
10-22-1956
11- 2-1956
11-28-1956
12-17-1956

1-14-1957

2- 1-1957
2-28-1957

3-14-1957
3-18-1957

4- 3-1957

400
400
400
400
400
400
400
400

400

400
400

164
236

400

2112.00
2112.00
2152.00
2168.00
2168.00
2168.00
2168.00
2208.00

2208.00

2208.00
2208.00

905.28
1302.72

2208.00

L
L
L
L
L
L
L
L

L

L
L

L
L

L

TOTALS

X 5,200 cs.

\$28,296.00

COMMISSION'S EXHIBIT No. 2184

22 21-8-61
4141

FEDERAL TRADE COMMISSION
 DOCKET NO. 7149 EXHIBIT NO. 2185
 IN THE MATTER OF *Union Fruit Co., Inc.*
 DATE *9/24/57* WITNESS *A. J. [Signature]*
 ACE REPORTING CO., Official Reporter
 By *[Signature]*

CUSTOMER

The Penn Fruit Co., Inc.,
 P. O. Box 6122
 Philadelphia, Pa.

DATE OF INVOICE NO. CASES NET AMT. OF INVOICE

6-17-1955	1500 T 500 B	9240.00	W
10-15-1955	1500 T 200 B	8528.00	L
11-15-1955	1200 T 200 B	6929.00	W
1-17-1956	700 T 280 B	4603.20	L
2-17-1956	1200 T 500 B	7946.00	L
6- 9-1956	1200 T 100 B	6850.00	L

TOTALS 8,190 cs. \$44,096.20

CUSTOMER

Hart Food Stores, Inc.,
175 Humboldt Street
Rochester, N. Y.

<u>DATE OF INVOICE</u>	<u>NO. CASES</u>	<u>NET AMT. OF INVOICE</u>	
3-24-1955	1000 T 125 B	5556.87	L
4-20-1955	1000 T 100 B	5491.50	L
11-1 -1955	700 T 350 B	4576.25	L
11-21-1955	1000 T	5230.00	L
1-11-1956	1000 T	5380.00	L
2-27-1956	1000 T 184 B	5874.96	L
TOTALS	6,080 cs.	\$32,109.58	

COMMISSION'S EXHIBIT No. 2186

24 2 4143

COMMISSION'S EXHIBIT No. 2187

CUSTOMER	DATE OF INVOICE	NO. CASES	NET AMT. OF INVOICE	
Big Bear Stores Co., 770 W. Goodale Street Columbus 8, Ohio	1-7-1956	500	2605.02	W
	1-13-1956	500	2605.02	W
	1-19-1956	500	2605.02	W
	2-4-1956	500	2605.02	W
	2-10-1956	500	2605.02	W
	2-17-1956	500	2605.02	W
	2-23-1956	500	2605.02	W
	3-1-1956	500	2605.02	W
	3-14-1956	500	2605.02	W
	3-21-1956	500	2605.02	W
	3-28-1956	500	2605.02	W
	4-12-1956	500	2605.02	W
	4-19-1956	500	2605.02	W
	4-26-1956	500	2605.02	W
	5-9-1956	500	2605.02	W
	5-16-1956	500	2605.02	W
	5-24-1956	500	2605.02	W
	5-31-1956	500	2605.02	W
	6-8-1956	500	2605.02	W
	6-19-1956	500	2605.02	W
	8-7-1956	500	2730.02	W
	9-7-1956	500	2730.02	W
	11-7-1956	500	2625.00	W
	11-15-1956	500	2680.02	W
	11-23-1956	600	3150.00	W
	11-29-1956	600	3150.00	W
	12-12-1956	500	2625.00	W
	12-20-1956	500	2625.00	W
	12-28-1956	500	2675.00	W
	1-4-1957	500	2675.00	W
TOTALS		15,200 cs.	\$79,765.46	

FEDERAL TRADE COMMISSION
 RECEIVED JAN 13 1957
 IN THE MATTER OF
 WITNESS
 OFFICIAL REPORTS
 BY
 DATE
 ACE REPORTING CO.

COLONIAL STORES, INC.

P. O. BOX 4435
ATLANTA, GEORGIA

(Shipped to Thomasville, Ga.)

ACE REPORTING CO., Official Reporter

By

27
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COMMISSION'S EXHIBIT No. 2188

<u>Date Shipped</u>	<u>Cases 14$\frac{1}{2}$oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallonage</u>	<u>Value</u>
May, 1956	650	150	30,975	3,484	\$ 4,023.75
June, 1956	---	---	---	---	---
July, 1956	675	130	31,703	3,566	4,107.00
Aug., 1956	---	---	---	---	---
Sept., 1956	---	---	---	---	---
Oct., 1956	675	150	32,063	3,607	4,350.00
Nov., 1956	---	---	---	---	---
Dec., 1956	---	---	---	---	---
Jan., 1957	650	150	30,975	3,484	4,205.00
Feb., 1957	---	---	---	---	---
Mar., 1957	---	---	---	---	---
Apr., 1957	<u>675</u>	<u>100</u>	<u>31,163</u>	<u>3,505</u>	<u>4,205.00</u>
Totals	3325	680	156,879	17,646	\$ 20,890.75

Last Shipment: April, 1957

17,646

FEDERAL TRADE COMMISSION

DOCKET NO. 7149 ~~EXHIBIT NO. 2189~~

IN THE MATTER OF *The Boston Co.*

DATE *8/14/57* WITNESS *John J. [illegible]*

ACE REPORTING CO., Official Reporter

By *[Signature]*

COLONIAL STORES, INC.

P. O. BOX 4358

ATLANTA, GEORGIA

(Shipped to East Point, Ga)

COMMISSION'S EXHIBIT No. 2189

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallons</u>	<u>Value</u>
Dec., 1956	700	120	32,610	3,668	\$ 4,408.00
Jan., 1957	700	150	33,150	3,729	4,495.00
Feb., 1957	630	200	31,005	3,488	4,234.00
Mar., 1957	700	200	34,050	3,830	4,640.00
Apr., 1957	650	200	31,875	3,585	4,350.00
May, 1957	---	---	---	---	---
June, 1957	---	---	---	---	---
July, 1957	1100	250	52,350	5,889	7,288.75
Aug., 1957	---	---	---	---	---
Sept., 1957	---	---	---	---	---
Oct., 1957	---	---	---	---	---
Nov., 1957	<u>550</u>	<u>360</u>	<u>30,405</u>	<u>3,420</u>	<u>4,124.50</u>
Totals	5030	1480	245,445	27,609	\$ 33,540.25

Date Transferred: December, 1957

For the year of 1956 this customer bought a total of 9610 cs. 14 1/2 oz., 1970 cs. 6 oz. or an average per month of 800 cs. 14 1/2 oz. and 164 cs. 6 oz.

ACC REPORTING CO., Official Reporter
By LS

P. O. BOX 1113
COLUMBIA, S. CAROLINA
(shipped to Raleigh, N.C.)

COMMISSION'S EXHIBIT No. 2190

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallons</u>	<u>Value</u>
May, 1956	775	125	35,963	4,045	\$ 4,648.13
June, 1956	1550	250	71,925	8,091	9,296.26
July, 1956	---	---	---	---	---
Aug., 1956	---	---	---	---	---
Sept., 1956	825	135	38,318	4,310	5,176.50
Oct., 1956	610	210	30,315	3,410	4,147.00
Nov., 1956	700	50	31,350	3,526	4,209.00
Dec., 1956	700	200	34,050	3,830	4,640.00
Jan., 1957	665	140	31,448	3,537	4,263.00
Feb., 1957	655	100	30,293	3,408	4,089.00
Mar., 1957	700	100	32,250	3,628	4,350.00
Apr., 1957	<u>825</u>	<u>125</u>	<u>38,138</u>	<u>4,290</u>	<u>5,147.50</u>
Totals	6005	1435	374,050	42,075	\$ 49,962.39

Date Transferred: May, 1957

FEDERAL TRADE COMMISSION
DOCKET NO. 714 COMMISSION EXHIBIT NO. 2191
 IN THE MATTER OF *Colonial Stores, Inc.*
 DATE *9/29/57* WITNESS *[Signature]*
 COLONIAL STORES, INC.
 321 DUNMORE ST.
 NORFOLK, VIRGINIA
 BY *[Signature]*
 ACE REPORTING CO., Official Reporter

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallons</u>	<u>Value</u>
Oct., 1955	---	---	---	---	---
Nov., 1955	1100	200	51,450	5,787	6,600.00
Dec., 1955	1100	200	51,450	5,787	6,600.00
Jan., 1956	---	---	---	---	---
Feb., 1956	---	---	---	---	---
Mar., 1956	---	---	---	---	---
Apr., 1956	---	---	---	---	---
May, 1956	1060	250	50,610	5,693	6,576.75
June, 1956	1060	250	50,610	5,693	6,576.75
July, 1956	---	---	---	---	---
August, 1956	---	---	---	---	---
Sept., 1956	1080	200	50,580	5,689	6,576.75
Totals	5400	1100	254,700	28,649	\$ 33,197.50

COMMISSION'S EXHIBIT No. 2191

Date Transferred: October, 1956

By

47
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CROSS, ABBOTT CO.
P. O. BOX 710
WHITE RIVER JUNCTION, VERMONT

COMMISSION'S EXHIBIT No. 2192

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallons</u>	<u>Value</u>
May, 1957	800	30	35,340	3,976	\$ 4,727.00
June, 1957	700	40	31,170	3,506	4,284.00
July, 1957	700	60	31,530	3,546	4,343.50
Aug., 1957	700	30	30,990	3,486	4,254.25
Sept., 1957	---	---	---	---	---
Oct., 1957	800	30	35,340	3,976	4,849.25
Nov., 1957	700	40	31,170	3,506	4,284.00
Dec., 1957	---	---	---	---	---
Jan., 1958	750	30	33,165	3,731	4,551.75
Feb., 1958	---	---	---	---	---
Mar., 1958	---	---	---	---	---
Apr., 1958	<u>700</u>	<u>25</u>	<u>30,900</u>	<u>3,476</u>	<u>4,132.50</u>
Totals	5850	285	259,605	29,203	\$ 35,426.25

Date Transferred: May, 1958

4149
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COMMISSION'S EXHIBIT No. 2194

DOCKET NO. 7194

IN THE MATTER OF *the Estate of J. H. Dunne*

DATE *4/2/57* WITNESS *J. H. Dunne*

ACE REPORTING CO., Official Reporter

By *J. H. Dunne*

H. DUNNE CO.
54 E. MAIN ST.
NORWICH, N.Y.

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallons</u>	<u>Value</u>
May, 1956	---	---	---	---	---
June, 1956	---	---	---	---	---
July, 1956	---	---	---	---	---
Aug., 1956	---	---	---	---	---
Sept., 1956	---	---	---	---	---
Oct., 1956	1500	150	67,950	7,643	9,135.00
Nov., 1956	---	---	---	---	---
Dec., 1956	2525	250	114,338	12,861	15,370.00
Jan., 1957	1400	100	62,700	7,053	8,410.00
Feb., 1957	1400	100	62,700	7,053	8,410.00
Mar., 1957	1400	200	64,500	7,255	8,700.00
Apr., 1957	2800	200	125,400	14,106	16,820.00
Totals	11025	1000	497,588	55,971	66,845.00

Date Transferred: May, 1957

HANNAFORD BROTHERS CO.
 17 CROSS ST.
 PORTLAND, MAINE
 (del. to: Portland, Me.
 Biddeford, Maine
 Rumford, Maine
 Winslow, Maine
 Lewiston, Maine)

DATE 9-20-57 WITNESS *[Signature]*
 ACC REPORTING CO., Official Reporter
 By *[Signature]*

COMMISSION'S EXHIBIT No. 2195

Date Shipped	Cases <u>14 oz.</u>	Cases <u>6 oz.</u>	Pounds	Gallons	Value
Dec., 1955	5,450	70	238,335	26,809	\$ 30,167.50
Jan., 1956	1,255	50	55,493	6,242	7,232.00
Feb., 1956	3,595	50	157,283	17,692	20,162.00
Mar., 1956	2,565	30	112,118	12,612	14,319.00
Apr., 1956	1,450	50	63,975	7,196	8,186.26
May, 1956	-----	---	-----	-----	-----
June, 1956	-----	---	-----	-----	-----
July, 1956	-----	---	-----	-----	-----
Aug., 1956	700	35	31,080	3,496	4,161.50
Sept., 1956	1,350	200	62,325	7,011	8,410.00
Oct., 1956	1,370	150	62,295	7,007	8,381.00
Nov., 1956	-----	---	-----	-----	-----
Totals	17,735	635	782,904	88,065	\$101,019.26

Last Shipment: October, 1956

FEDERAL TRADE COMMISSION
COCKET NO. 1121 **COMMISSION EXHIBIT NO. 2196**

IN THE MATTER OF
 DATE 9/24/57 WITNESS
 ACE REPORTING CO., Official Reporter

MILLIKEN, TOLLINSON CO.
 P. O. BOX 1941
 PORTLAND, MAINE
 (Del. to: Portland, Me.
 Presque Isle, Me.
 Bangor, Maine
 Lewiston, Maine)

By

COMMISSION'S EXHIBIT No. 2196

Date Shipped	Cases <u>14 oz.</u>	Cases <u>6 oz.</u>	Pounds	Gallons	Value
March, 1957	3,930	105	172,845	19,443	23,098.50
April, 1957	5,720	395	255,930	28,789	34,321.50
May, 1957	710	10	31,065	3,494	4,147.00
June, 1957	3,060	40	133,830	15,054	18,326.00
July, 1957	3,810	200	169,335	19,048	23,264.51
Aug., 1957	3,560	200	158,460	17,825	21,777.01
Sept., 1957	2,335	150	104,273	11,730	14,339.50
Oct., 1957	1,910	80	84,525	9,508	11,602.50
Nov., 1957	4,210	163	186,159	20,940	25,549.30
Dec., 1957	3,892	79	170,724	19,204	23,392.43
Jan., 1958	4,610	222	204,531	23,007	28,089.95
Feb., 1958	<u>3,335</u>	<u>120</u>	<u>147,233</u>	<u>16,562</u>	<u>20,200.25</u>
Totals	41,082	1769	1,818,910	204,604	248,108.45

Date Transferred: March, 1958

COMMISSION'S EXHIBIT No. 2197

ONELDA MARKETS
RAILROAD AVE.
ALBANY, NEW YORK

By

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6 oz.</u>	<u>Pounds</u>	<u>Gallonage</u>	<u>Value</u>
Dec., 1956	---	---	---	---	---
Jan., 1957	710	---	30,885	3,474	4,118.00
Feb., 1957	710	---	30,885	3,474	4,118.00
Mar., 1957	---	---	---	---	---
Apr., 1957	1420	---	61,770	6,948	8,236.00
May, 1957	---	---	---	---	---
June, 1957	---	---	---	---	---
July, 1957	---	---	---	---	---
Aug., 1957	---	---	---	---	---
Sept., 1957	710	---	30,885	3,474	4,224.50
Oct., 1957	---	---	---	---	---
Nov., 1957	<u>710</u>	<u>---</u>	<u>30,885</u>	<u>3,474</u>	<u>4,224.50</u>
Totals	4260	---	185,310	20,844	\$ 24,921.00

Last Shipment: November, 1957

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4153
34 2

FEDERAL TRADE COMMISSION

DOCKET NO. 104 COMMISSION EXHIBIT NO. 2198

IN THE MATTER OF *Richardson*

DATE *2/28/56* WITNESS *Richardson*

ACE REPORTING CO., Official Reporter

By

T. R. SAVAGE CO.
120 RICE ST.
BANGOR, MAINE

COMMISSION'S EXHIBIT No. 2198

Date Shipped	Cases 14 oz.	Cases 6 oz.	Pounds	Gallons	Value
Feb., 1955	2,910	---	126,585	14,239	\$ 16,005.00
Mar., 1955	2,200	75	97,050	10,917	12,306.25
April, 1955	2,130	---	92,655	10,422	11,715.00
May, 1955	2,110	40	92,505	10,406	11,573.00
June, 1955	2,460	25	107,460	12,038	13,351.50
July, 1955	2,985	25	130,293	14,657	16,136.50
Aug., 1955	2,225	125	99,033	11,140	12,581.25
Sept., 1955	2,150	75	94,875	10,672	12,031.25
Oct., 1955	1,435	---	62,423	7,022	7,392.50
Nov., 1955	3,030	25	132,255	14,876	16,733.75
Dec., 1955	3,615	50	153,153	17,790	20,195.83
Jan., 1956	<u>3,485</u>	<u>25</u>	<u>152,048</u>	<u>17,103</u>	<u>19,760.88</u>
Totals	30,735	465	1,345,345	151,332	\$170,332.76

Date Transferred: February, 1956

COMMISSION'S EXHIBIT No. 2199

<u>Date Shipped</u>	<u>Cases 14 1/2 oz.</u>	<u>Cases 6oz.</u>	<u>Pounds</u>	<u>Gallons</u>	<u>Value</u>
April, 1957	---	---	---	---	---
May, 1957	200	---	8,700	979	1,160.00
June, 1957	---	---	---	---	---
July, 1957	---	---	---	---	---
August, 1957	---	---	---	---	---
Sept., 1957	---	10	180	20	30.25
Oct., 1957	---	---	---	---	---
Nov., 1957	---	20	360	40	60.50
Dec., 1957	---	---	---	---	---
Jan., 1958	---	---	---	---	---
Feb., 1958	---	---	---	---	---
Mar., 1958	<u>10</u>	<u>20</u>	<u>795</u>	<u>89</u>	<u>121.00</u>
Totals	210	50	10,035	1,128	1,371.75

Date Transferred: April, 1958

Wipie Home Store

**PREPAID
COLLECT**

Greenville, South Carolina

Biddle

2% 10d

Diep Home

allow 1.7 Swell Allowance

ROUTING CMSTP+P

Menon. Southern

DATE	INV. NO.	NUMBER OF CASES				GROSS BILLING	LABELS	FREIGHT	BROK.	DISCOUNT	RETURN & ALLOW.	DECLINE	PER CASE GROSS
		TALL	48-B	96-B	No. 10								
1952													
5-2	9220	1145	173			7573 73	FEDERAL TRADE COMMISSION DOCKET NO. 7129 EXHIBIT NO. 2300						6
5-15	9283	1145	227			7739 78	IN THE MATTER OF The Garden City						6
1955							DATE 9/24/58 WITNESS [Signature] ACE REPORTING CO., Official Reporter						
1-6	1906	1000	no			5860 80	By [Signature] (Winn-Dixie Stores, Inc.)						25
1-12	1931	1000	110			5755 25							25
12-26	3631	1101	300			7168 23	Winn-Dixie - Greenville, SC.						25
1957													
1-21	3573	1100	300			7162 50	Winn-Dixie - Greenville, SC.						25
1-21	3574	1100	200			6876 00	Winn-Dixie - Columbia, SC.						25
1-25	3631	1100	200			6876 00	Winn-Dixie - Greenville, SC.						25
1-28	3632	1101	300			7168 23	Winn-Dixie - Greenville, SC.						25
2-1	3670	1101	300			7168 23	Winn-Dixie - Greenville, SC.						25
													4156
													37

COMMISSION'S EXHIBIT B No. 2200

DIXIE HOME STORES, INC.

**PREPAID
COLLECT**

GREENVILLE, SOUTH CAROLINA

BROKER BIDDLE

TERMS 2% 10 DAYS

LABELS

DIXIE HOME

~~NET 30 DAYS~~

ROUTING CMSTP&P-MONON-SOUTHERN

LESS 1/10TH OF 1% IN
LIEU OF NORMAL SWELLS

[illegible]

COMMISSION'S EXHIBIT F No. 2201-A

CUSTOMER	CENTRAL RETAILER-OWNED GROCERS, INC.	FREIGHT	PREPAID COLLECT	add Freight
----------	--------------------------------------	---------	--------------------	-------------

ADDRESS 155 NORTH WACKER DRIVE - CHICAGO, ILLINOIS.

BROKER	TERMS	NET 10 DAYS	LABELS	SHURFINE
---------------	--------------	--------------------	---------------	-----------------

ROUTING HOWARD'S CARTAGE

DATE 1956	INV. NO.	NUMBER OF CASES				GROSS BILLING	LABELS	FREIGHT	BROK.	DISCOUNT	RETURN & ALLOW.	DECLINE	PER CASE		
		TALL	as-B	96-B	No. 10								GROSS	NE	
6-27	2639	100				509 10	Associated Gro.							5 09	
7-17	2708	475	25			248 1 38 19.00 03	United Grocers							5 09 2 58	
		4100	12			200 5 12									
<div>FEDERAL TRADE COMMISSION DOCKET NO. 7129 IN THE MATTER OF The Jordan Co. DATE 9/24/58 WITNESS [Signature] AGE REPORTING CO., Older Reporting By [Signature]</div>															
													4158	220178	
													39		

COMMISSION'S EXHIBIT B No. 2201-A

FREIGHT**PREPAID
COLLECT**

4159

BROKER

TERMS

LABELS

ROUTING

[illegible]

COMMISSION'S EXHIBIT F No. 2201-B

CUSTOMER Central Retailer - Owned Grocers Inc. FREIGHT PREPAID ✓ - all int.
 ADDRESS 155 North Wacker Drive, Chicago 6, Ill.
 BROKER _____ TERMS _____ LABELS Murphy

ROUTING

DATE	INV. NO.	NUMBER OF CASES				GROSS BILLING	LABELS	FREIGHT	BROK.	DISCOUNT	RETURN ALLOW.	DECLINE	PER C GROSS
		TALL	48-B	96-B	No. 10								
5-10	781	100				489 20	Associated Grocers						4
6-9	934	400	50			2052 30	United Grocers						4
7-11	1111	100				481 30	Associated Grocers						2
8-11		100	75			5105 10	Associated Grocers						
9-12	1302	400	75			2209 30	Associated Grocers						5
10-11	1522	100				511 15	Associated Grocers						5
11-7	1617	100	75			2231 17	United Grocers						5
11-27	1742	452				2333 22	United Grocers Corp. Assn.						5
1956													
1-3	1898	100				520 70	Associated Grocers						5
1-17	1952	425	75			2408 70	United Gro. Coop. Assn.						5
2-7	2044	100				517 50	Associated Grocers						5
2-8	2048	450				2328 75	United Grocers Corp. Assn.						5
4-11	2324	425	75			2355 05	United Grocers Corp. Assn.						5
5-11	2423	100				509 20	Associated Gro.						5
6-7	2551	400	100			2417 75	United Gro. Coop. Assn.			4160		2201	5

MADE COMMISSION
 EXHIBIT NO. 2201
 FEDERAL
 DOCKET NO. 7-12-57

785

COMMISSION'S EXHIBIT B No. 2201-B

CUSTOMER CENTRAL DIVISION - NATIONAL RETAILER-OWNED GROCERS, INC. FREIGHT

**PREPAID
COLLECT**

ADDRESS 308 WEST WASHINGTON STREET CHICAGO, ILLINOIS

BROKER C.D. NROG

TERMS 10 Days Net

LABELS SHURFINE

1975

072.

ROUTING

TE.	INV. NO.	NUMBER OF CASES				GROSS BILLING	LABELS	FREIGHT	BROK.	DISCOUNT	RETURN & ALLOW.	DECLINE	PER CASE	
		TALL	48-B	96-B	No. 10								GROSS	NET
54	1151	400			Associated Grocers Houlston, Wis.	1998 00	+ 414	Case Freight		\$14.00			4	996
5	1/54				1/10 th 100 in									
3	1687	100			Dynastor Co. Inc. Madison, Wis.	471 50	✓						4	715
17	1727	350	100		United Grocers Appleton, Wis.	1886 05							4	715
7	1801	376	50		✓	1860 64							4	64
15	1885	450			✓		+ 142	Case Freight					4	64
34	2224	350	100		✓	1887 20	+ 142	Case Freight					4	718
50	2232	100			Dynastor Co. Madison, Wis.	479 80	+ 59	Case Freight					2	730
67	2495	400	50		United Grocers Appleton, Wis.	2063 38	+ 142	Case Freight					4	55
111	2716	400	50		United Grocers Appleton, Wis.	2063 38	+ 142	Case Freight					4	55
155														
2	203	125			United Grocers Appleton, Wis.	2120 75	+ 142	Case Freight					2	99
2	276	400	50		"	2173 43	+ 142	Case Freight					5	99
24	421	100			Dynastor Co. Madison	503 00	+ 29	Case Freight					5	02
16	552	400	50		United Grocers	2116 00	+ 142	Case Freight					6	98
22	580	100			Associated Grocers		+ 10	Case Freight					4	98

LIST OF EVAPORATED MILK CUSTOMERS
Through Topco Associates 1956
1956 Pack 49040 Cases 48/Tall Cans only(cases)

COMMISSION'S EXHIBIT No. 2202-A

NAME	DATE & INVOICE #	CASES LABEL	PRICE	AMOUNT	F.O.B.
American Community Stores 770 N. & James St. Omaha, Neb.	3-21 0716	800	(5.25) 4.90 + Frt..35	3920.00 280.00	Dest.
	4-13 07398	800	4.90 + Frt..35	3920.00 280.00	"
Big Bear Stores 770 Goodale Blvd. Columbus, Ohio	4-6 07326	300	5.25	1575.00	Dest.
Brockton Public Markets 157 Main St. Boston, Mass.	2-4 06931 4-9 07324	300 200	5.47 5.40 + stop-over 7.20	1647.70 1087.20	Dest. "
	8-8 00367	150	5.71	856.50	"
Harts Food Store, Inc. 175 Humboldt. STATION Rochester, N.Y.	2-1 06796 3-23 07216 4-2 07258 5-25 07673 6-10 04303 6-15 04361	1200 1200 1200 1200 1000 1000	5.42 5.30 5.28 5.28 5.15 5.15	6504.00 6360.00 6336.00 6336.00 5150.00 5150.00	Dest. " " " " " "
Kleins Super Market 1810 Como Ave. St. Paul, Minn.	1-26 06662 2-2 06808 4-16 07425 6-5 07854	425 600 500 500	5.05 5.05 4.90 5.22	2145.25 3030.00 2450.00 2610.00	Plant " " "
Liberal Markets, Inc. 230 Concord Ave. Dayton, Ohio	2-1 06797 5-28 07757	600 700	5.37 5.30	3222.00 3710.00	Dest. "
Meijers Whlse. Inc. 425 Fuller Ave., N.E. Grand Rapids, Mich.	2-22 06949 4-11 07328	400 400	5.00 5.10 + Stop-over charges	2000.00 2047.55	Plant "
Penn Fruit Co. P.O. Box 6122 Philadelphia, Penn.	2-29 07006 3-14 07150	1200 1200	5.46 5.46	6552.00 6552.00	Dest. "

SECRET NO. 7129
FEDERAL TRADE COMMISSION
EXHIBIT NO. 2202-A
IN THE MATTER OF
WITNESS
ACE REPORTING CO., Official Reporter
DATE 1-1-58

COMMISSION'S EXHIBIT No. 2202-B

Star Super Ave. Cleveland, Ohio	06790	200	5.37	1074.00	Dest.
	4-6				
	07325	400	5.25	2100.00	"
mb Super Ikt.	2-10				
	06828	500	5.05	2525.00	Dest.
	3-20				
	07142	700	5.08	3556.00	"
	4-11				
	07327	300	5.10 + stop-over charges	1537.55	"
	7-30				
	00305	700	5.40	3780.00	"
Star Market Co. 297 Walnut St. Newtonville, Mass	3-2				
	07048	700	5.557	3889.00	Dest.
	3-21				
	07203	300	5.436	1645.48	"
	5-23				
	07674	700	5.436	3805.20	"
	6-6				
	00365	700	5.71	3997.00	"
Supreme Mkts., Inc. 540 Gallivan Blvd. Dorchester, Mass.	2-14				
	06932	400	5.47	2194.70	Dest.
	3-16				
	07158	300	5.47	1647.70	"
	4-9				
	07323	320	5.40	1744.79	"
	8-8				
	00366	550	5.71	3240.50	"
TOTALS		23845		126,838.12	

FEDERAL TRADE COMMISSION
DOCKET NO. 7174-1
LIST OF EVAPORATED MILK CUSTOMERS
Through Topco Associates 1955
1955 Pack 25765 cases of 48/tall

COMMISSION
RECORDS EXHIBIT NO. 2202-C

NAME	DATE & INVOICE #	CASES 48/tall	PRICE	AMOUNT	F.O.B.
Bear Stores 770 W. Goodale A e. Columbus, Ohio	6-3 04228	1000	5.05	5050.00	Columbus
Kleins Super Market 1010 Cono St. Paul, Minn.	6-21 04404 4-28 03797	1000 500	5.05 5.30	5050.00 3100.00	" Dest.
Brockton Public Market, Inc. 157 Main St. Brockton, Mass.	7-12 04739	350	5.25	1837.50	Brockton
Liberal Market, Inc. Concord & Synder St. Dayton, Ohio	7-15 04752	700	5.15	3605.00	Juneau
Star Market Co. 297 Walnut St. Newtonville, Mass.	6-29 04523 7-12 04738 8-26 05255	575 350 775	5.25 5.25 5.25	3010.75 1837.50 4066.75	Dest. " "
Penn Fruit Co., Inc. Box 6122 Philadelphia, Penn.	5-27 04115	1500	5.25	7875.00	Dest.
Pick & Pay Mts., Inc. 2695 S. 40th. St. Cleveland	6-3 04227	400	5.15	2060.00	Dest.
TOTAL		7250		37,502.50	

COMMISSION'S EXHIBIT No. 2202-C

IN THE MATTER OF

808 LADY STREET
COLUMBIA, S. C.

DATE 12/9/58 WITNESS *Barley*
ACE REPORTING CO., Official Reporter

Purchased from:

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY
350 MADISON AVE.
NEW YORK 17, N. Y.

By

1956

1/30/56	50	cs.	48/tall	Silver	Cow	Milk	6.05	302.50
2/14/56	50	cs.	48/tall	Silver	Cow	Milk	6.05	302.50
2/28/56	50	cs.	48/tall	Silver	Cow	Milk	6.05	302.50
3/21/56	50	cs.	48/tall	Silver	Cow	Milk	6.05	302.50
4/19/56	100	cs.	48/tall	Silver	Cow	Milk	6.05	605.00
5/14/56	200	cs.	48/tall	Silver	Cow	Milk	6.05	1210.00
5/14/56	20	cs.	96/Small	Silver	Cow	Milk	6.05	121.00
10/24/56	100	cs.	48/tall	Silver	Cow	Milk	6.30	630.00
10/24/56	5	cs.	96/Small	Silver	Cow	Milk	6.30	31.50
11/23/56	100	cs.	48/tall	Silver	Cow	Milk	6.30	630.00
12/14/56	35	cs.	48/tall	Silver	Cow	Milk	6.30	220.50
								<u>4,505.50</u>
								152.50

735 cs. 48/tall	\$4,505.50
25 cs. 96/Small	152.50
	<u>\$4,658.00</u>

1957

1/22/57	150	cs.	48/tall	Silver	Cow	Milk	6.30	945.00	31.50
1/22/57	5	cs.	96/small	Silver	Cow	Milk	6.30	630.00	31.50
2/25/57	100	cs.	48/tall	Silver	Cow	Milk	6.30	819.00	126.00
2/25/57	5	cs.	96/small	Silver	Cow	Milk	6.30	322.50	322.50
3/29/57	130	cs.	48/tall	Silver	Cow	Milk	6.30	322.50	161.25
3/29/57	20	cs.	96/small	Silver	Cow	Milk	6.30	322.50	161.25
6/17/57	50	cs.	48/tall	Silver	Cow	Milk	6.45	322.50	322.50
7/18/57	50	cs.	48/tall	Silver	Cow	Milk	6.45	322.50	161.25
8/14/57	50	cs.	49/tall	Silver	Cow	Milk	6.45	322.50	161.25
9/18/57	25	cs.	49/tall	Silver	Cow	Milk	6.45	322.50	161.25
9/26/57	25	cs.	48/tall	Silver	Cow	Milk	6.45	322.50	161.25
10/25/57	50	cs.	48/tall	Silver	Cow	Milk	6.45	322.50	161.25
11/15/57	25	cs.	48/tall	Silver	Cow	Milk	6.45	322.50	161.25
11/18/57	25	cs.	48/tall	Silver	Cow	Milk	6.45	322.50	161.25
11/18/57	75	cs.	48/tall	Silver	Cow	Milk	6.45	483.75	32.25
11/18/57	5	cs.	96/small	Silver	Cow	Milk	6.45	4,812.75	221.25

755 cs. 48/tall	\$4,812.75
35 cs. 96/small	221.25
	<u>\$5,034.00</u>

1958

1/27/58	50	cs.	48/tall	Silver	Cow	Milk	6.60	330.00
2/26/58	75	cs.	48/tall	Silver	Cow	Milk	6.60	495.00
3/25/58	25	cs.	48/tall	Silver	Cow	Milk	6.60	165.00
4/24/58	45	cs.	48/tall	Silver	Cow	Milk	6.60	297.00
4/24/58	5	cs.	96/small	Silver	cow	Milk	6.60	33.00
5/26/58	25	cs.	48/tall	Silver	Cow	Milk	6.60	165.00
6/26/58	35	cs.	48/tall	Silver	Cow	Milk	6.60	231.00
							<u>1.683.00</u>	<u>33.00</u>

255 cs. 48/tall	\$1,683.00
5 cs. 96/small	33.00
	<u>\$1,716.00</u>

TELEPHONES
ALPINE 2-4144
ALPINE 2-5202

RAWL DISTRIBUTING COMPANY, Inc.

WHOLESALE GROCERIES

COLUMBIA 1, S. C.

1055 BEREA ROAD
P. O. BOX 9383

Purchases Borden's Evaporated Milk 1956 - 937 cases of Tall \$5725.00
29 cases of Small \$152.50
Purchases Borden's Evaporated Milk 1957 - 1110 cases of Tall \$7057.06
15 cases of Small \$96.25
Purchases Borden's Evaporated Milk through July 1958 -
185 cases of Tall \$1221.00
5 cases of Small \$33.00
Total volume sales for all products for year 1956 - \$1,147,573.95
Total purchases all products for year 1956 - \$1,060,495.58
Total volume sales for all products for year 1957 - \$1,164,307.38
Total purchases all products for year 1957 - \$1,084,657.81
Total volume sales through July for year 1958 - \$ 701,884.79
Total purchases all products through July 1958 - 627,452.01

COMMISSION'S EXHIBIT No. 2231

FEDERAL TRADE COMMISSION

DOCKET NO. 7/29 ~~COMMON~~ EXHIBIT NO. 2231

IN THE MATTER OF *The Borden Company*

DATE *12/9/58* WITNESS *Buckman*
ACE REPORTING CO., Official Reporter

By *Alc*

1-2231
4202
47

SHUMPERT'S FOOD CITY

1205 "C" AVENUE

WEST COLUMBIA, S. C.

NOVEMBER 15, 1958 FEDERAL TRADE COMMISSION
DOCKET NO. 7/29 COMMISSION EXHIBIT NO. 2232

IN THE MATTER OF *Sh W. Corden Co.*
DATE *12/9/58* WITNESS *Shumpert*
ACE REPORTING CO., Official Reporter

FEDERAL TRADE COMMISSION,
BUREAU OF LITIGATION,
WASHINGTON 25, D.C.

By *alc*

ATT: M.R. DANIEL T. COUGHLIN,

DEAR M.R. COUGHLIN,

PURSUANT TO YOUR RECENT REQUEST WHILE IN COLUMBIA WE SUBMIT THE FOLLOWING INFORMATION RELATIVE TO YOUR INQUIRY:

PURCHASES:		SALES:
YEAR 1955	\$ 1120834.34	\$ 1257283.18
" 1957	1115224.13	1257302.57
THRU NOVEMBER 1958.	1091290.35	1250408.49
2. ORIGINAL PURCHASES OF MISS VIRGINIA MILK WERE MADE IN JUNE 1958 AT A PRICE OF \$ 5.85 LESS 15¢ PER CASE. \$ 5.70 L.E.T. PRICE FROM AUG 4, 1958 TO DATE. . \$ 5.97 LESS 15¢ PER CASE. 5.82		

WE TRUST THE ABOVE INFORMATION WILL BE SUFFICIENTLY COMPLETE TO BE BENEFICIAL IN YOUR CASE.

WITH BEST WISHES, WE ARE,

YOURS TRULY,

SHUMPERTS FOOD CITY

Daniel J. Shumpert

DANIEL J. SHUMPERT

22 4203

48

Associated Grocers

*Retailer - Official
Wholesale Grocers*

320 S. HUDSON STREET . . . P. O. BOX 2302

GREENVILLE, SOUTH CAROLINA

November 14, 1958

Mr. Daniel T. Coughlin
Bureau of Litigation
Federal Trade Commission
Washington 25, D. C.

FEDERAL TRADE COMMISSION

DOCKET NO. 7129 COMMISSION EXHIBIT NO. 2234

IN THE MATTER OF *The Borden Company*

DATE *12/10/58* WITNESS *N. Ponder*
ACE REPORTING CO., Official Reporter

By *ac*

Dear Mr. Coughlin:

Listed below is the information you requested regarding our organization.

Total sales:

For fiscal year ending June 1956	\$2,077,274.38
For fiscal year ending June 1957	\$2,457,299.51
For fiscal year ending June 1958	\$3,092,222.05

Total purchases:

For fiscal year ending June 1956	\$2,137,407.35
For fiscal year ending June 1957	\$2,539,479.72
For fiscal year ending June 1958	\$3,194,107.36

Total purchases of Borden's Silver Cow Evap. Milk:

For fiscal year ending June 1956	3,894 cs. tall	495 cs. small
For fiscal year ending June 1957	3,835 cs. tall	490 cs. small
For fiscal year ending June 1958	4,065 cs. tall	480 cs. small

If we can be of further help to you please let us know.

Yours very truly,

ASSOCIATED GROCERS, INC. of S. C.

Neal P. Ponder
Neal P. Ponder

Information requested
by the Federal Trade Commission

1. Dollar dollar volume of purchases,
for all products, for each of
the years 1956-1958.

1956- 674,240.76 1957 1,219,559.36 1958 1,348,231.35

2. Same information as above
with regard to sales.

1956 1,095,210.09 1957 1,455,160.40 1958 1,366,380.80

3. Total purchases of Lardens brand,
evaporated milk (Diners brand),
giving total and small separately,
for each of the years 1956-1958.

1957 2684 cs. 1958 2920 cs. thru Oct.

DANIEL T. LOUGHEIN
BUREAU OF LITIGATION,
FEDERAL TRADE COMMISSION,
WASHINGTON 25, D.C.

FEDERAL TRADE COMMISSION

DOCKET NO. 7129 COMMISSION EXHIBIT NO. 2235

IN THE MATTER OF THE LARDENS COMPANY
DATE 12/10/58 WITNESS
ACE REPORTING CO., Official Reporter

By *ALC*

2235

50 4205

✓

ESTABLISHED 1920

OFFICE AND WAREHOUSE
209 DEPOT STREET

R. P. TURNER COMPANY

Wholesale Grocers

TELEPHONES
TR 7-3371 AND TR 7-3372

GREER, SOUTH CAROLINA

December 10, 1958

BORDEN EVAPORATED MILK PURCHASES

<u>YEAR</u>	<u>Cases Small</u>	<u>Cases Tall</u>	<u>Dollar Value</u>
1956	810	5,184	\$37,084.70
1957	708	5,365	39,166.57
1958	564	4,695	34,720.26

FEDERAL TRADE COMMISSION

EXHIBIT 12, 7/29
IN THE MATTER OF *W. S. Sargent Company*
DATE *12/10/58* BY *Mc. Kelly*
ACE REPORTING CO., (Official Reporter)

By *Alc*

November 18, 1958

FEDERAL TRADE COMMISSION
DOCKET NO. 7129 COMMISSION EXHIBIT NO. 2238
IN THE MATTER OF *J.W. Eorden Company*
DATE *12/11/58* WITNESS *J.W. Eorden*
ACE REPORTING CO., Official Reporter
By *aw*

Daniel T. Coughlin
Bureau of Litigation
Federal Trade Commission
Washington 25, D.C.

Dear Mr. Coughlin,

We are very happy to cooperate with your office by submitting the following information which you requested during your recent visit.

However, you will note the report for 1958 does not cover a complete year as we end our year on March 31st.

TOTAL DOLLAR PURCHASES, ALL PRODUCTS

	1956	1957	1958
	\$9,159.498.04	\$10,461.930.10	\$5,679.221.80

TOTAL DOLLAR SALES, ALL PRODUCTS

	1956	1957	1958
	9,453.460.15	10,795.725.74	5,949.221.80

TOTAL PURCHASES DOLLAR VOLUME AND CASE QUANTITY EORDEN EVAPORATED MILK.

TALL	5100	\$32,932.50
Baby	535	3,896.25

Tall	7800	51,480.00
Baby	900	5,940.00

Tall	3375cs	23,595.00
Baby	335	2,210.00

Yours very truly,

ASSOCIATED GROCERS MUTUAL OF
CAROLINAS, INC.

4215

Clyde E. Todd
Clyde E. Todd, Mgr.

52

L. W. PETRIE, INC.

WHOLESALE GROCERS
CHARLOTTE 2, N. C.

November 19, 1958

FEDERAL TRADE COMMISSION

DOCKET NO. 7129 COMMISSION EXHIBIT NO. 2239

IN THE MATTER OF *Borden Company*

DATE *12/11/58* WITNESS *Petrie*

ACE REPORTING CO., Official Reporter

By *AW*

Mr. Daniel T. Coughlin
Bureau of Litigation
Federal Trade Commission
Washington 25, D. C.

Dear Mr. Coughlin:

The information you asked me to work up for you
is as follows:

Borden Food Products Company-Silver Cow Milk

Year	\$ Value -All	\$ Value -Small	# Cases -All	# Cases -Small
1956	\$2,376.75	\$30.25	385	5
1957	2,689.05	166.80	422	26
1958 thru 7-27-53 11-10-58	(2,904.00) (993.00)	66.00	(43) (150)	17

	Purchases and sales of all products	
1956	purchases \$762,062.09	sales \$833,003.65
1957	721,995.05	792,063.27
1958 thru 10-31-58	571,386.49	616,831.00

Yours truly,

Mrs. L. W. Petrie

L. W. Petrie, Inc.
by Mrs. A. L. Howell

SALES DEPARTMENT

FORM A 110-A
REV. 1-1-57

DATE SHIPPED: 11/18/57

CUSTOMER'S ORDER NO. OUR ORDER NO.: 20480

SALES REPRESENTATIVE: DELK & WHITE BRKCE CO
NORFOLK VA #407

CAR NO: LV 62173

SOLD TO: COLONIAL STORES INC
301 DUNMORE STREET
NORFOLK VIRGINIA

ADL:

SPECIAL INSTRUCTIONS: SHIP

OTHER SHEET: 1-21

TERMS: CASH IN 15 DAYS LESS 1%
FOR 30 DAYS NET 2%
DISTANCE TO 84 MILES
380 MADISON AVE. NEW YORK
17-N. Y. IN POUNDS PAYABLE
AT PAR 100% IN 15 DAYS

SHIP TO ADDRESS: SAME

ROUTE: 1-21

CASES	SIZE, PACK AND BRAND	STOCK NO.	PRICE	TRADE DISCOUNT	AMOUNT
1200	BORDEN'S TALL COMMISSION EXHIBIT NO. 2861 BORDEN'S TALL RETURNING TO BY AIR	0322	6.15	EVAP MILK SUBJECT TO 1/10 OF 1% SELL ALLOWANCE	7740.00
					773.74
					48.12

FACTORY INVOICE

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

Place special service instructions here

712-SEABOARD AIR LINE RAILROAD COMPANY-712
PREPAID FREIGHT BILL-ORIGINAL

Form 257-A
100M 1-57

Freight Bill No.
Freight Bill Date

STOP THIS CAR AT _____
FOR CAR INITIALS AND NUMBER _____
WEIGHT IN TONS _____
C.L. Transferred to or L.C.L. Loading No. _____
DATE _____
FROM No. _____
STATION _____
STATE _____
WAYBILL No. _____
MARKED CAPACITY OF CAR _____
ORDERED _____
FURNISHED _____
TUNISHED _____

(3050) DECEMBER 1950
FULL NAME OF SHIPPER AND, FOR C. O. SHIPMENTS, THE STREET AND POST OFFICE ADDRESS, AND INVOICE NUMBER IF AVAILABLE

250 Gordon Road, Promoters, Inc.
ORIGIN AND DATE ORIGINAL CAR, TRANSFER FREIGHT BILL AND PREVIOUS WAYBILL, REFERENCE AND ROUTING WHEN REBILLED.

Marshall, N.C.
Barber, C. L. (Robert) Oare, O.A.O.
RECOMMENDED TO _____
STATION _____
STATE _____
Show A. Agent's Rating or Shippers' Rating

Authority
CONSIGNEE AND ADDRESS
Colonial Storage, Inc.
2510 Promoters, Inc.

FINAL DESTINATION AND ADDITIONAL ROUTING
Marshall, N.C.

WHEN SHIPPER IN THE UNITED STATES EXECUTES THE NO-RECOURSE CLAUSE OF SECTION 7 OF THE BILL OF LADING, INSERT "YES"
Indicate by number and call out provided in this weight were obtained for L.C.L. Shipments only, R-Railroad Rate, S-Shipper's or other L.C.L. Classification or Minimum Weight and Correct L.C.L. Tariff Classification or Minimum Weight and Correct L.C.L. Tariff
OR C.L. TRAFFIC-INSURANCE (Recording, Packing, Ventilation, Heating, Milling, Weighing, Etc. If Lead, Specify to Whom Being Shipped)

AMOUNT	WEIGHTED
C. 0.00	AV
0.00	GROSS
0.00	TARE
	ALLOWANCE
	NET
	PICKUP SERVICE
	YES
	NO
	DELIVERY SERVICE REQUESTED
	YES
	NO
	IF CHARGES ARE TO BE PREPAID, WRITE OR STAMP HERE "TO BE PREPAID"
	ON L.C.L. TRAFFIC TRANSFER STAMPS TO BE SHOWN IN THESE SPACES

No. 1200
Description of Articles, Special Marks and Exceptions
Cases of Stereotyped Mills
Bardens Silver Ore
Shippers Lot and original
Business
SHEET NO. 108
LINE NO. 3
DATE AND 11-20-51
APPROVED
ACCOUNT NO. 60-11
Seaboard Air Line R.R. Co.
CHESTER, S.C.
REPORTER
BY MC

WEIGHT	FREIGHT	ADVANCES	PREPAID
11.800	247.80		247.80
	F. T. Tax		7.48
			254.68

SALES DEPARTMENT

RD 1/31/58
FROM ERLAND PENNA
WELLS

CUSTOMER'S ORDER NO. OUR ORDER NO.
B 20875 426

SALES REPRESENTATIVE
PEER BKCE CO
GREENSBORO N C 827

DATE SHIPPED
2/25/58

THE KROGER CO
P O BOX 1751
ROANOKE, VA

FEDERAL TRADE COMMISSION
EXHIBIT 10/20/58
BUCKET NO 2121

082228

SPECIAL INSTRUCTIONS

IN THE MATTER OF BORDEN'S MILK
DATE 1/31/58 BY 10/20/58
FOR EXHIBIT 10/20/58

THE KROGER CO
GREENSBORO, N C

CAR NO - BDX 1173

POOL CAR SHIPMENT

GENERAL OFFICE

TERMS
CASH IN 10 DAYS NET
ON 10 DAYS NET
ADVANCE TO B. N. C.
850 MADISON AVE. NEW YORK
172 NO. Y. 10/20/58 PAYABLE
AT PAR

CASES	SIZE	PACK AND BRAND	STOCK NO.	PRICE	TRADE DISCOUNT	AMOUNT
200	BORDENS TALL	4 00Z	0522	6 60		1320 00
50	BORDENS SMALL		0552	3 30		165 00
						1485 00
						1 49
						1483 51
						2 25
						1485 76

EVAP MILK SUBJECT
TO 1/10 OF 1%
SMELL ALLOWANCE

S/O CHOE

THANK YOU

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

6/24/59

56

57

SALES DEPARTMENT

FORM 1-110 (Rev. 1-15-57)

SHIPPED TO: 11/12/57
FROM: DIXON ILL.

CUSTOMER'S ORDER NO. OUR ORDER NO.
N 53155 10306

SALES REPRESENTATIVE
DELA & MILITARY CO
NORFOLK VA 107

DATE SHIPPED
11/28/57

OUR NO. 11-16551

SOLD TO

COLONIAL STORES INC
301 CUMMINS ST
NORFOLK VA

ADDRESS

500

SPECIAL INSTRUCTIONS
SHIP

SHIPPED TO

NAME

GENERAL SHIP NO.

TERMS
(CASH IN 10 DAYS, CREDIT
OR 30 DAYS NET
STANDARD PAYMENT
TERMS TO BE OBSERVED
17% ADV. PAYMENT
AT 10% ADV. PAYMENT)

ROUTE 162 CLEARING (60)

RATE 1.00

QTY	DESCRIPTION	PRICE	STOCK NO.	TRADE DISCOUNT	AMOUNT
800	BORDENS TALL	6.12	0322	10%	5160.00
	THANK YOU				
					5160.00

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

1000-16-1000

1000-16-1000

ILLINOIS CENTRAL RAILROAD COMPANY

PREPAID FREIGHT BILL

CAR INITIALS AND NUMBER: **RC 16037** STATION: **Q3** DATE: **NOV 20 1957** FREIGHT BILL NO.: **229076** WAYBILL NO.: **229076**

ROUTE: **MEMPHIS - DUNMORE VA** SHIPPER: **THE BORDEN CO** DATE: **NOV 20 1957**

CLEARING CO

CONSIGNEE AND ADDRESS: **COLONIAL STORES INC
301 DUNMORE ST**

For Charges on articles to be transported

WEIGHTED
GROSS: **7129**
TARE: **1151**
ALLOWANCE:
NET:

INSTRUCTIONS (Receiving, Loading, Ventilation, Handling, Milling, Weighing, etc.)
Specify to whom bills should be charged.

KEEP VENTS CLOSED & PLUGS INTODEST

No. PKGS.	DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS	WEIGHT	DATE	FREIGHT	ADVANCES	PREPAID
800	CASES OF EVAP MILK IN CANS 57/5 SL2C	41200	100	412.00		412.00
THANK YOU FOR YOUR ORDER						
RECEIVED PAYMENT FOR THE COMPANY NOV 22 1957						
TOTAL						412.00

SALES DEPARTMENT

OUR ORDER NO. 21993 INVOICE DATE 12-21-59

CUSTOMER'S ORDER NO. 5006

DATE 12-21-59

SEE SPECIAL INSTRUCTIONS
BACK OF THIS INVOICE

SEE SPECIAL INSTRUCTIONS
BACK OF THIS INVOICE

OLD TO

600 LBS. 100 LBS. 50 LBS. 25 LBS. 10 LBS. 5 LBS. 2.5 LBS. 1 LBS. 0.5 LBS. 0.25 LBS. 0.125 LBS. 0.0625 LBS. 0.03125 LBS. 0.015625 LBS. 0.0078125 LBS. 0.00390625 LBS. 0.001953125 LBS. 0.0009765625 LBS. 0.00048828125 LBS. 0.000244140625 LBS. 0.0001220703125 LBS. 0.00006103515625 LBS. 0.000030517578125 LBS. 0.0000152587890625 LBS. 0.00000762939453125 LBS. 0.000003814697265625 LBS. 0.0000019073486328125 LBS. 0.00000095367431640625 LBS. 0.000000476837158203125 LBS. 0.0000002384185791015625 LBS. 0.00000011920928955078125 LBS. 0.000000059604644775390625 LBS. 0.0000000298023223876953125 LBS. 0.00000001490116119384765625 LBS. 0.000000007450580596923828125 LBS. 0.0000000037252902984619140625 LBS. 0.00000000186264514923095703125 LBS. 0.000000000931322574615478515625 LBS. 0.0000000004656612873077392578125 LBS. 0.00000000023283064365386962890625 LBS. 0.000000000116415321826934814453125 LBS. 0.0000000000582076609134674072265625 LBS. 0.00000000002910383045673370361328125 LBS. 0.000000000014551915228366851806640625 LBS. 0.0000000000072759576141834259033203125 LBS. 0.00000000000363797880709171295166015625 LBS. 0.000000000001818989403545856475830078125 LBS. 0.0000000000009094947017729282379150390625 LBS. 0.00000000000045474735088646411895751953125 LBS. 0.000000000000227373675443232059478759765625 LBS. 0.0000000000001136868377216160297393798828125 LBS. 0.00000000000005684341886080801486968994140625 LBS. 0.000000000000028421709430404007434844970703125 LBS. 0.0000000000000142108547152020037174224853515625 LBS. 0.00000000000000710542735760100185871124267578125 LBS. 0.000000000000003552713678800500929355621337890625 LBS. 0.000000000000001776356839400250464677810668953125 LBS. 0.0000000000000008881784197001252323889053344765625 LBS. 0.00000000000000044408920985006261619445266723828125 LBS. 0.000000000000000222044604925031308097226333619140625 LBS. 0.0000000000000001110223024625156540486131668095703125 LBS. 0.00000000000000005551115123125782702430658340478515625 LBS. 0.000000000000000027755575615628913512153291702392578125 LBS. 0.0000000000000000138777878078144567560766458511962890625 LBS. 0.00000000000000000693889390390722837803832292559814453125 LBS. 0.000000000000000003469446951953614189019161462799072265625 LBS. 0.0000000000000000017347234759768070945095807313995361328125 LBS. 0.00000000000000000086736173798840354725479036569976806640625 LBS. 0.000000000000000000433680868994201773627395182849884033203125 LBS. 0.0000000000000000002168404344971008868136975914249420166015625 LBS. 0.00000000000000000010842021724855044340684879571247100830078125 LBS. 0.000000000000000000054210108624275221703424397856235504150390625 LBS. 0.0000000000000000000271050543121376108517121989281177520751953125 LBS. 0.00000000000000000001355252715606880542585609946405887603759765625 LBS. 0.000000000000000000006776263578034402712928049732029438018798828125 LBS. 0.0000000000000000000033881317890172013564640248660147190093994140625 LBS. 0.0000000000000000000016940658945086006782320124330073595469970703125 LBS. 0.000000000000000000000847032947254300339116006216650367977248515625 LBS. 0.0000000000000000000004235164736271501695580031082501839886242578125 LBS. 0.0000000000000000000002117582368135750847790015541250091943121390625 LBS. 0.00000000000000000000010587911840678754238950077706250045970606953125 LBS. 0.000000000000000000000052939559203393771194750388531250022953034765625 LBS. 0.0000000000000000000000264697796016968855973751942656250011476518828125 LBS. 0.0000000000000000000000132348898008484427786875971328125000573825944140625 LBS. 0.0000000000000000000000066174449004242213893437985664062500028691297220703125 LBS. 0.00000000000000000000000330872245021211069467189928320312500014345648611015625 LBS. 0.0000000000000000000000016543612251060553473359496416015625000071728243055078125 LBS. 0.000000000000000000000000827180612553027673667974820800781250000358641215275390625 LBS. 0.00000000000000000000000041359030627651383683398741040039062500001793206076376953125 LBS. 0.000000000000000000000000206795153138256918416693705200195312500000896603038168828125 LBS. 0.000000000000000000000000103397576569128459208346852600097656250000044830151908444140625 LBS. 0.0000000000000000000000000516987882845642296041734263000488281250000022415075954220703125 LBS. 0.000000000000000000000000025849394142282114802086713150024414062500000112075379771103515625 LBS. 0.000000000000000000000000012924697071141057401043356575001220703125000000560376898855517578125 LBS. 0.0000000000000000000000000064623485355705287005216782875000610376898855517578125 LBS. 0.0000000000000000000000000032311742677852643502608391437500030518844494277903125 LBS. 0.00000000000000000000000000161558713389263217513041957187500015259422246389515625 LBS. 0.0000000000000000000000000008077935669463160875652097859375000076297111233194765625 LBS. 0.00000000000000000000000000040389678347315804378260489296875000038148555615598828125 LBS. 0.0000000000000000000000000002019483917365790218913024464843750000190742778077994140625 LBS. 0.0000000000000000000000000001009741958682895109456512232421875000009537138903899970703125 LBS. 0.0000000000000000000000000000504870979341447554728256116210937500000476856945099994140625 LBS. 0.000000000000000000000000000025243548967072377736412805810546875000002384284725499970703125 LBS. 0.0000000000000000000000000000126217744835361888682064029052734375000001192142362749994140625 LBS. 0.000000000000000000000000000006310887241768094434103201452636718750000005960711813749970703125 LBS. 0.0000000000000000000000000000031554436208840472170516007263183593750000002980355906874994140625 LBS. 0.0000000000000000000000000000015777218104420236085258003631591796875000000149017795343749970703125 LBS. 0.00000000000000000000000000000078886090522101180426290018157958984375000000074508897671874994140625 LBS. 0.00000000000000000000000000000039443045261050590213145000907897949218750000003725444883593749970703125 LBS. 0.0000000000000000000000000000001972152263052529510657250004539497474609375000001862722441796874994140625 LBS. 0.0000000000000000000000000000000986076131526264755328625000226974873730468750000093136122089843749970703125 LBS. 0.00000000000000000000000000000004930380657631323776643125000113487436869218750000046568061044921874994140625 LBS. 0.000000000000000000000000000000024651903288156618883215625000056743718434609375000002328403052246093749970703125 LBS. 0.00000000000000000000000000000001232595164407830944160781250000283718592173046875000001164201526123046874994140625 LBS. 0.000000000000000000000000000000006162975822039154720803906250000141859296086523437500000058210076306152343749970703125 LBS. 0.00000000000000000000000000000000308148791101957736040195312500000709296480432761875000000291050381530761874994140625 LBS. 0.000000000000000000000000000000001540743955509788680200976562500000354648240216380937500000014552519076538093749970703125 LBS. 0.00000000000000000000000000000000077037197775489434010048828125000001773241201081904687500000007276259538269046874994140625 LBS. 0.00000000000000000000000000000000038518598887744717005024414062500000088662060054095234375000000363812976913452343749970703125 LBS. 0.000000000000000000000000000000000192592994438723585025122070312500000044331030027047618750000001819064884567261874994140625 LBS. 0.0000000000000000000000000000000000962964972193617925125610351562500000022165515013523809375000000090953244228363093749970703125 LBS. 0.0000000000000000000000000000000000481482486096808962562805175781250000011082757506761904687500000045476622114181546874994140625 LBS. 0.00000000000000000000000000000000002407412430484044812814025878906250000005541378753380952343750000002273831105709077343749970703125 LBS. 0.0000000000000000000000000000000000120370621524202240640701293945312500000027706893766902618750000001136915552854538671874994140625 LBS. 0.0000000000000000000000000000000000060185310762101120320350646972656250000013853446883451309375000000568457776427269343749970703125 LBS. 0.0000000000000000000000000000000000030092655381050560160175323486328125000000692672344172564687500000028422888821364693749970703125 LBS. 0.000000000000000000000000000000000001504632769052528008008766172331562500000034633617208628234375000000142114444106823468749970703125 LBS. 0.00000000000000000000000000000000000075231638452626400400438308611656250000001731680860431411718750000000710572220534117343749970703125 LBS. 0.0000000000000000000000000000000000003761581922631320020021915430558312500000008658404302155585937500000003552861102670586718749970703125 LBS. 0.00000000000000000000000000000000000018807909613156600100109577152791562500000004329202151077779687500000017764305513352933593749970703125 LBS. 0.0000000000000000000000000000000000000940395480657830005005478857639578125000000216460107553888989375000000088821527566764667968749970703125 LBS. 0.00000000000000000000000000000000000004701977403289150025027394288197890625000001082300537769444946875000000444107637833823339843749970703125 LBS. 0.000000000000000000000000000000000000023509887016445750125136971440989453125000000541150268884722473437500000222053818916691669968749970703125 LBS. 0.00000000000000000000000000000000000001175494350822287506256848572049472656250000002705751344423611669968749970703125 LBS. 0.000000000000000000000000000000000000005877471754111437531284242860247363281250000013528756722118058349843749970703125 LBS. 0.000000000000000000000000000000000000002938735877055718765642121430123681640625000000676437836105902917472343749970703125 LBS. 0.0000000000000000000000000000000000000014693679385278593882821070715118408203125000003382189180529514587361718749970703125 LBS. 0.00000000000000000000000000000000000000073468396926392969414105353575592041015625000001691094590264772929386968749970703125 LBS. 0.00000000000000000000000000000000000000036734198463196484707052676787796020507812500000084554729513238646469343749970703125 LBS. 0.000000000000000000000000000000000000000183670992315982423535263383938980102539062500000042277364756619323246718749970703125 LBS. 0.00918354961579912117676316919694900512695312500000211386823783096616233593749970703125 LBS. 0.0045917748078995605883815845984745025634765625000001056934118915483081167968749970703125 LBS. 0.002295887403949780294190792299237251281738281250000005284670594577415405839843749970703125 LBS. 0.00114794370197489014709539614961862564086914062500000026423352972887077029199218749970703125 LBS. 0.00057397185098744507354769807480931282043457031250000001321167648644353850145996093749970703125 LBS. 0.000286985925493722536773849037404656410217285156250000006605838243221769250729980468749970703125 LBS. 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0.00280259692864963414818071325527792228993437550415039062500000064510139093962590339170264167968749970703125 LBS. 0.0014012984643248170740903566276389611449671877520751953125000000322550695469812951695851320839843749970703125 LBS. 0.0000

DOM-104B-CFO

Form 107a W. E. Rm.

ILLINOIS CENTRAL RAILROAD COMPANY

IC 150173

R PREPAID FREIGHT BILL

FREIGHT BILL NO.

CAR INITIALS AND NUMBER

DATE DEC 28 1957

WAYBILL NO. 229292

FROM STATION STATE

TO STATION STATE

ROUTE

SHIPPER

NORFOLK VA

2090 DIXON ILLINOIS

CLEARING CO

THE BORDEN CO

For Charges on articles to be transported

CONSIGNEE AND ADDRESS

WEIGHED

COLONIAL STORES

GROSS TARE 11WIB 151

INSTRUCTIONS (Regarding Tare, Ventilation, Heating, Milling, Weighing, Etc., If local, specify to whom Tare should be charged)

KEEP VENTS CLOSED AND PLUGS IN TO DESTN

RECEIVED
 SECRET NO. 1155
 IN THE MATTER OF *Borden Company*
 DATE *April 15 1958* WITNESS
for reporting to, Office Agent
By AHC

No. PKGS.	DESCRIPTION OF ARTICLES, SPECIAL MARKS AND EXCEPTIONS	WEIGHT	RATE	FREIGHT	ADVANCES	PREPAID
1200 CS TALL 8 C 48 S	CASES OB EVAP MILK IN CANS	61800	88	543 84		543 84
	51 1/2					
	SHIPPERS LOAD & COUNT					
	FOR STORAGE IN TRANSIT					

THANK YOU

RECEIVED PAYMENT FOR THE COMPANY

DEC 28 1957

AGENT

TOTAL	543 84
FEDERAL TAX	16 32
AMOUNT TO COLLECT	560 16

1951

SALES DEPARTMENT

DATE SHIPPED 1/30/51

SOLD TO **ADDRESS**

SHIPPED FROM **DATE** 1/28/51

VIA

CUSTOMER'S ORDER NO. OUR ORDER NO. 129

SALES REPRESENTATIVE H. P. ROSS CO
BIDDEFORD MAINE 206

FIRST NATIONAL STORES
217 READ ST
PORTLAND MAINE

FIRST NATIONAL STORES
DEERING JUNCTION MAINE

POOL CAR SHIPMENT

SHIP NO. 47

GENERAL OFFICE **SHEET NO.**

TERMS CASH IN 10 DAYS, LESS 2%
IF PAID WITHIN 10 DAYS
OR 30 DAYS NET
1% DISCOUNT
IF PAID WITHIN 30 DAYS
12% N.V. AND 10% PAYABLE
AT PAR

CASES	SIZE, PACK AND BRAND	STOCK NO.	PRICE	TRADE DISCOUNT	AMOUNT
375	BORDEN'S YALL	0522	6.30 COND & EVAP MILK SUBJECT TO 1/10 OF SMELL ALLOWANCE		236.25
					236.25
					237.81

FEDERAL TRADING COMMISSION
CHECK NO. 1129 CASH ON HAND NO. 5700

IN THE MATTER OF **THE BORDEN COMPANY**

DATE APRIL 15, 1951 **BY** [Signature]

THANK YOU

FACTORY INVOICE

THE BORDEN FOOD PRODUCTS COMPANY
DIVISION OF THE BORDEN COMPANY

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SALES DEPARTMENT		DATE SHIPPED 1/30/51	
CUSTOMER'S ORDER NO. OUR ORDER NO. 129		SALES REPRESENTATIVE W P ROSS CO BIDDEFORD MAINE 286	
GREAT ATLANTIC & PACIFIC TEA CO 93 KENNEBEC ST PORTLAND MAINE		SPEC SHIP CAR NO 4472	
SHIPPED TO ADDRESS 93 KENNEBEC ST PORTLAND MAINE		GENERAL SHEET NO OFFICE	
ROUTE 300 75		TERMS CASH IN 15 DAYS, LESS 2% IF PAID ON 10 DAYS NET 1% IF PAID ON 5 DAYS NET 1% IF PAID ON 30 DAYS NET 1% IF PAID ON 60 DAYS NET 1% IF PAID ON 90 DAYS NET 1% IF PAID ON 120 DAYS NET 1% IF PAID ON 150 DAYS NET 1% IF PAID ON 180 DAYS NET 1% IF PAID ON 210 DAYS NET 1% IF PAID ON 240 DAYS NET 1% IF PAID ON 270 DAYS NET 1% IF PAID ON 300 DAYS NET 1%	
SHIP TO ADDRESS BORDEN'S TALL BORDEN'S SMALL		TRADE DISCOUNT	
STOCK NO. 0522 0552		PRICE 6.39 3.15	
BORDEN'S TALL BORDEN'S SMALL		CAND & EVAP MILK SUBJECT TO 1/10 OF 1% SWEET ALLOWANCE	
THANK YOU		3/0 CHOS	
FACTORY INVOICE		AMOUNT 1899.00 736.25 2126.25 2124.18 2127.50	
THE BORDEN FOOD PRODUCTS COMPANY DIVISION OF THE BORDEN COMPANY			

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COMMISSION'S EXHIBIT No. 5296

STIPULATION

United States of America
Before Federal Trade Commission

In the Matter of
THE BORDEN COMPANY,
a corporation

Docket 7129

Counsel supporting the complaint herein and counsel for respondent hereby stipulate as follows for all purposes of this proceeding:

Handlers of private label evaporated milk

1. The following persons, firms or corporations were wholesale grocery concerns:

Abingdon Grocery Co., Inc., Abingdon, Va.
American Wholesale Grocery Co., Seattle, Wash.
Blue Ridge Grocery Co., Waynesboro, Va.
Miles Bradford Co., Bradford, Pa.
Capitol Supply Co., Baton Rouge, La.
Cash Grocery & Sales Co., Alexandria, La.
Charley Bros. Co., South Greensburg, Pa.
The Commission Co., Seattle, Wash.
Consolidated Co., Inc., New Orleans, La.
Continental Foods, Yakima, Wash.
Cumberland Grocery Co., La Follette, Tenn.

Danville Wholesale Co., Danville, Pa.
Elliot Grocery Co., Bessemer, Ala.
Frank Wholesale Co., Shreveport, La.
Hazleton Wholesale Grocery Co., Hazleton, Pa.
Henderson Grocery Co., Henderson, N. C.
J. L. Henderson Co., San Francisco, Cal.
Hudson House Inc., Albany, Ore.
Hudson House Inc., Bend, Ore.
Hudson House Inc., Longview, Wash.
Hudson House Inc., McMinnville, Ore.
Hudson House Inc., Portland, Ore.
Hudson House Inc., Roseburg, Ore.
Hudson House Inc., The Dalles, Ore.
Kimbell-Abilene Co., Abilene, Tex.
Kimbell-Albuquerque Co., Albuquerque, N. M.
Kimbell-Amarillo Co., Amarillo, Tex.
Kimbell-Austin Co., Austin, Tex.
Kimbell-Brady Co., Brady, Tex.
Kimbell-Brownwood Co., Brownwood, Tex.
Kimbell-Camden Co., Camden, Ark.
Kimbell-Childress Co., Childress, Tex.
Kimbell-Clovis Co., Clovis, N. M.
Kimbell-Corpus Christi Co., Corpus Christi, Tex.
Kimbell-Grocery Co., Ft. Worth, Tex.
Kimbell-Hobbs Co., Hobbs, N. M.
Kimbell-Hot Springs Co., Hot Springs, Ark.
Kimbell-Las Vegas Co., Las Vegas, N. M.
Kimbell-Little Rock Co., Little Rock, Ark.
Kimbell-Lubbock Co., Lubbock, Tex.
Kimbell-Lufkin Co., Lufkin, Tex.
Kimbell-Mayfield Co., Tyler, Tex.
Kimbell-Midland Co., Midland, Tex.
Kimbell-Paris Co., Paris, Tex.

Kimbell-Pecos Co., Pecos, Tex.
 Kimbell-Pittsburg Co., Pittsburg, Tex.
 Kimbell-Plainview Co., Plainview, Tex.
 Kimbell-Roswell Co., Roswell, N. M.
 Kimbell-San Angelo Co., San Angelo, Tex.
 Kimbell-San Antonio Co., San Antonio, Tex.
 Kimbell-San Benito Co., San Benito, Tex.
 Kimbell-Santa Fe Co., Santa Fe, N. M.
 Kimbell-Sherman Co., Sherman, Tex.
 Kimbell-Stamford Co., Stamford, Tex.
 Kimbell-Sweetwater Co., Sweetwater, Tex.
 Kimbell-Texarkana Co., Texarkana, Tex.
 Kimbell-Uvalde Co., Uvalde, Tex.
 Kimbell-Waco Co., Waco, Tex.
 Kimbell-Wichita Falls Co., Wichita Falls, Tex.
 Kockos Bros., San Francisco, Cal.
 Lafferty-Pioneer, Inc., Eugene, Ore.
 Northwest Grocery Co., Ashland, Ore.
 Northwest Grocery Co., Portland, Ore.
 Perloff Bros., Inc., Philadelphia, Pa.
 Perloff Bros., Inc., Shenandoah, Pa.
 Pioneer Grocery Co., Coos Bay, Ore.
 Pioneer Grocery Co., Eugene, Ore.
 Harry M. Pollock Co., Inc., Kittanning, Pa.
 Progressive Warehouse, Lafayette, La.
 Radford Big Spring Co., Big Spring, Tex.
 Roundup Grocery Co., Spokane, Wash.
 Morris Sewall & Co., Inc., Houston, Tex.
 Morris Siegal Co., Wilkes-Barre, Pa.
 Springfield Sugar & Jroduce Co., Springfield, Mass.
 Thomas & Howard Co., Allendale, S. C.
 Thomas & Howard Co., Charleston, S. C.
 Thomas & Howard Co., Charlotte, N. C.

Thomas & Howard Co., Chester, S. C.
 Thomas & Howard Co., Columbia, S. C.
 Thomas & Howard Co., Darlington, S. C.
 Thomas & Howard Co., Durham, N. C.
 Thomas & Howard Co., Greensboro, N. C.
 Thomas & Howard Co., Hickory, N. C.
 Thomas & Howard Co., Orlando, Fla.
 Thomas & Howard Co., Salisbury, N. C.
 Thomas & Howard Co., Spartanburg, S. C.
 Thomas & Howard Co., Washington, D. C.
 Timberlake Grocery Co., Albany, Ga.
 Timberlake Grocery Co., Macon, Ga.
 Timberlake Grocery Co., Thomasville, Ga.
 United Cash Grocery Co., Gulfport, Miss.
 Virginia Foods, Bluefield, Va.
 Virginia Foods, Salem, Va.
 Wadham's & Co., Portland, Ore.
 Willamette Grocery Co., Salem, Ore.
 Yakima Grocery Co., Yakima, Wash.

2. The following persons, firms or corporations (a) were wholesale grocery concerns and also (b) either (i) operated some retail outlets or (ii) sold or otherwise transferred goods to parent, subsidiary or otherwise affiliated companies which operated retail outlets:

American Community Stores, Omaha, Neb.
 Daylight Grocery Co., Jacksonville, Fla.
 W. H. Dunne Co., Norwich, N. Y.
 Lucky Wholesale Foods, Redding, Cal.
 McCarthy-Holman Co., Jackson, Miss.
 Schultz Bros., Sheboygan, Wis.
 Yantic Grain Products Co., Norwich, Conn.

3. The following persons, firms or corporations (i) were retail grocery concerns or (ii) sold or otherwise transferred goods to parent, subsidiary or otherwise affiliated companies which were retail grocery concerns:

Albers Division Warehouse, Cincinnati, Ohio
 Bettencourt's, San Jose, Cal.
 Big Bear Stores, Co., Columbus, Ohio.
 Brockton Public Markets, Brockton, Mass.
 Colonial Stores, Inc., Atlanta, Ga.
 Colonial Stores, Whse, Cincinnati, Ohio
 Colonial Stores, Inc., Columbia, S. C.
 Colonial Stores, Inc., Columbus, Ohio
 Colonial Stores, Inc., East Point, Ga.
 Colonial Stores, Inc., Norfolk, Va.
 Colonial Stores, Inc., Raleigh, N. C.
 Colonial Stores, Inc., Thomasville, Ga.
 Community Cash Stores, Spartanburg, S. C.
 Eagle United, Inc., Milan, Ill.
 Eagle United, Inc., Rock Island, Ill.
 El Paso Wholesale Co., El Paso, Tex.
 Food Center, Memphis, Tenn.
 Food Fair Stores, Inc., Philadelphia, Pa.
 Furrs Food Stores, Amarillo, Tex.
 Furrs, Inc., El Paso, Tex.
 Furrs, Inc., Lubbock, Tex.
 Golub Corp., Green Island, N. Y.
 Hanford Milk Co., Amarillo, Tex.
 Hanford Milk Co., Ashley, Tex.
 Hanford Milk Co., Benning, D. C.
 Hanford Milk Co., Dallas, Tex.
 Hanford Milk Co., El Paso, Tex.
 Hanford Milk Co., Houston, Tex.

Hanford Milk Co., Kansas City, Kan.
 Hanford Milk Co., Kearny, N. J.
 Hanford Milk Co., Little Rock, Ark.
 Hanford Milk Co., Oklahoma City, Okla.
 Hanford Milk Co., Omaha, Neb.
 Hanford Milk Co., Portland, Ore.
 Hanford Milk Co., Tulsa, Okla.
 Hanford Milk Co., Wichita, Kan.
 Harts Food Stores, Inc., Rochester, N. Y.
 Hill Grocery Co., Birmingham, Ala.
 Humpty-Dumpty Super Marts, Oklahoma City,
 Okla.
 Klein Super Markets, Inc., St. Paul, Minn.
 Meijers Wholesale, Inc., Grand Rapids, Mich.
 Fred Meyer Inc., Portland, Ore.
 Milgram Food Stores, Kansas City, Mo.
 National Food Stores, New Orleans, La.
 Oneida Markets, Inc., Albany, N. Y.
 Penn Fruit Co., Philadelphia, Pa.
 Pick-n-Pay Super Markets, Inc., Cleveland, Ohio
 Pick-n-Pay Super Markets, Inc., Maple Heights,
 Ohio
 Plumbs Super Markets, Inc., Muskegon, Mich.
 Red Food Stores, Chattanooga, Tenn.
 George C. Shaw Co., Portland, Me.
 Siri's San Francisco, Cal.
 Star Markets Co., Watertown, Mass.
 Supreme Markets, Inc., Dorchester, Mass.
 Supreme Markets, Inc., So. Boston, Mass.
 Tradewell Stores, Inc., Seattle, Wash.
 J. Weingarten, Inc., Houston, Tex.
 J. Weingarten, Inc., Memphis, Tenn.
 Winn Dixie Hill Inc., Harahan, La.

Winn Dixie Hill Inc., New Orleans, La.
 Winn Dixie Montgomery, Inc., Montgomery, Ala.
 Winn-Dixie Stores, Greenville, S. C.
 Winn-Dixie Stores, Jacksonville, Fla.
 Winn-Dixie Stores, Louisville, Ky.
 Winn-Dixie Stores, Miami, Fla.
 Winn-Dixie Stores, Tampa, Fla.
 Winn Dixie Stores, Inc., Raleigh, N. C.

4. The Nestle Company, of Glendale, New York, and Portland, Oregon, was a grocery manufacturing concern.

5. Piggly-Wiggly Carolina Co., of Charleston and Columbia, S. C., was a cooperative buying association which sold at wholesale to its retailer members.

Handlers of Borden Brand evaporated milk

6. The following persons, firms or corporations were wholesale grocery concerns:

Abingdon Grocery Co., Abingdon, Va.
 American Wholesale Grocery, Seattle, Wash.
 R. G. Amezcua & Co., El Paso, Tex.
 Berger-Kleifgen Co., Rochester, N. Y.
 Berkeley Feed Corp., Norfolk, Va.
 Black Diamond Wholesale Grocery Co., Wilkes-Barre, Pa.
 Blessing Waterhouse Co., Chattanooga, Tenn.
 Blue Ridge Grocery Co., Waynesboro, Va.
 Buckeye Feed & Grain Co., Birmingham, Ala.
 F. Cappelino & Sons, Rochester, N. Y.
 Central Wholesale Grocery Co., Wilkes-Barre, Pa.

Clark & Lewis Co., Jacksonville, Fla.
 Cohen & Baltrus, Wilkes-Barre, Pa.
 Consolidated Companies, Inc., New Orleans, La.
 Consolidated Companies, Inc., New Orleans, La.
 Conco Wholesale Acct.
 J. C. Curry & Co., Bessemer, Ala.
 Daneri Bros., San Francisco, Cal.
 A. A. Dela Torre & Sons, El Paso, Tex.
 George Dunson, New Orleans, La.
 Economical Wholesale, Klotzville, La.
 Economy Cash & Carry Wholesale, El Paso, Tex.
 Elliott Grocery Co., Bessemer, Ala.
 Erwin Wholesale Co., Spartanburg, S. C.
 S. M. Flickinger Co. Inc., Rochester, N. Y.
 Food Center Wholesale Grocery Co., Cambridge,
 Mass.
 J. S. Fraering, New Orleans, La.
 M. A. Gomez, El Paso, Tex.
 Grocers Supply Co., Houston, Tex.
 Grocers Wholesale Co., San Francisco, Cal.
 Hudson House, Inc., Bend, Ore.
 Hudson House, Inc., Longview, Wash.
 Hudson House, Inc., Portland, Ore.
 Hudson House, Inc., Roseburg, Ore.
 Hudson House, Inc., The Dalles, Ore.
 Kimbell-Albuquerque Co., Albuquerque, N. M.
 Kimbell-Roswell Co., Roswell, N. M.
 Kimbell-Santa Fe Co., Santa Fe, N. M.
 Kockos Bros., San Francisco, Cal.
 Lafferty-Pioneer Corp., Eugene, Ore.
 Pioneer Grocery Co., Eugene, Ore.
 R. E. Lafferty & Sons, Eugene, Ore.
 Arthur Lazarus, Wilkes-Barre, Pa.

Levy Grocery Co., Baton Rouge, La.
 Liberty Cash Grocers, Memphis, Tenn.
 Louisiana Specialty Co., Baton Rouge, La.
 Malone & Hyde Inc., Memphis, Tenn.
 P. A. Menard, Inc., New Orleans, La.
 Merchants Distributors, Inc., Hickory, N. C.
 Merchants Grocery Co., Lafayette, La.
 Mosteller Grocery Co., Hickory, N. C.
 National Brands, Inc., Miami, Fla.
 Northwest Grocery Co., Milwaukie, Ore.
 Northwest Grocery Co., Portland, Ore.
 Perloff Bros., Inc., Philadelphia, Pa.
 Pillans & Smith Co., Ocala, Fla.
 Harry M. Pollock Co., Inc., Kittanning, Pa.
 Harvey Ragland, Birmingham, Ala.
 Rawl's Distributing Co., Columbia, S. C.
 Morris Sewall & Co., Inc., Houston, Tex.
 Morris Siegel, Wilkes-Barre, Pa.
 L. T. Snow & Co., San Francisco, Cal.
 Sam Spina Importing Co., Birmingham, Ala.
 Springfield Sugar & Produce Co., Springfield,
 Mass.
 Standard Grocery Co., Boston, Mass.
 Thomas & Howard, Allendale, S. C.
 Thomas & Howard Co., Charlotte, N. C.
 Thomas & Howard Co., Columbia, S. C.
 Thomas & Howard Co., Darlington, S. C.
 Thomas & Howard Co., Hickory, N. C.
 Thomas & Howard Co., Salisbury, N. C.
 Thomas & Howard Co., Spartanburg, S. C.
 Thomas & Howard Co., Washington, N. C.
 Timberlake Grocery Co., Thomasville, Ga.
 V. Traverso Co., San Francisco, Cal.

Tri-State Wholesale Assoc. Grocers, Inc., Ashley,
Tex.

Tri-State Wholesale Assoc. Grocers, Inc., El Paso,
Tex.

United Cash Grocery, New Orleans, La.

Virginia Foods, Inc., Salem, Va.

Wadham's & Co., Portland, Ore.

Willamette Grocery Co., Salem, Ore.

Williams Bros., Wilkes-Barre, Pa.

Wood-Fruitticher, Birmingham, Ala.

7. The following persons, firms or corporations
 (a) were wholesale grocery concerns and also
 (b) either (i) operated some retail outlets or (ii)
 sold or otherwise transferred goods to parent, subsidiary
 or otherwise affiliated companies which operated retail
 outlets:

The Alterman Brothers, Atlanta, Ga.

American Community Stores, Omaha, Neb.

Daylight Grocery Co., Jacksonville, Fla.

Charles Ilfield Co., Albuquerque, N. M.

Hudson House, Inc., Albany, Oregon.

Mick or Mack Stores Co. Inc., Salem, Va.

Ragland Brothers, Chattanooga, Tenn.

Richmond Wholesale Grocery Co., San Francisco,
Cal.

Roundup Grocery Co., Spokane, Wash.

Setzers Warehouse, Jacksonville, Fla.

8. The following were cooperative buying associations
 which sold at wholesale to their retailer members.

Associated Grocers, Albuquerque, N. M.
 Associated Grocers Mutual of Carolina's, Inc.,
 Charlotte, N. C.
 Central Florida Coop., Ocala, Fla.
 Certified Grocers of California, Los Angeles, Cal.
 Charlotte Grocers Mutual, Charlotte, N. C.
 Dennis Wholesale Grocery Co., San Francisco, Cal.
 Dixie Savings Stores, Chattanooga, Tenn.
 Economy Stores, Inc., Norfolk, Va.
 Equitable Cash Grocery, San Francisco, Cal.
 Florida Retail Owned Grocery, Tampa, Fla.
 Frankford Grocery Co., Philadelphia, Pa.
 General Wholesale Co-op., Norfolk, Neb.
 I. G. Food Store, Lafayette, La.
 Louisiana Grocers Co-op Inc., New Orleans, La.
 Bert McDowell Co., Redding, Cal.
 Penn. Mutual Grocery Co., Philadelphia, Pa.
 Quaker City Wholesale Grocery Co., Philadelphia,
 Pa.
 San Francisco Grocery Co. Ltd., San Francisco,
 Cal.
 Spartans Grocers Inc., Los Angeles, Cal.
 United Grocers Ltd., San Francisco, Cal.
 United National Co-op Co. Inc., Boston, Mass.
 Wyoming Valley District Co., Wilkes-Barre, Pa.

9. The following were cooperative buying associations which sold at wholesale to their retailer members and also to non-member retailers:

Associated Grocers, Birmingham, Ala.
 Associated Grocers, Inc., Miami, Fla.
 Associate Grocery Coop., East Point, Ga.

Miami Retail Grocers, Inc., Miami, Fla.
 Richmond Grocery Company, Philadelphia, Pa.

10. The following persons, firms or corporations (i) were retail grocery concerns or (ii) sold or otherwise transferred goods to parent, subsidiary or otherwise affiliated companies which were retail grocery concerns:

American Stores Company, Johnstown, Pa.
 American Stores Company, Philadelphia, Pa.
 Best Markets Inc., Philadelphia, Pa.
 Bruno's Food Stores, Birmingham, Ala.
 Colonial Stores, Inc., Columbia, S. C.
 Colonial Stores, Inc., East Point, Ga.
 Colonial Stores, Inc., Norfolk, Va.
 Colonial Stores, Inc., Raleigh, N. C.
 Colonial Stores, Inc., Thomasville, Ga.
 Columbia Food Co., Portland, Ore.
 Community Cash Stores, Spartanburg, S. C.
 El Paso Wholesale Co., El Paso, Tex.
 First National Stores, Deering Junction, Me.
 First National Stores, Portland, Me.
 Flamingo Wholesale Grocery Co., Miami, Fla.
 Food Fair Stores, Miami, Fla.
 Food Fair Stores, Philadelphia, Pa.
 Food Mart, Inc., Ashley, Tex.
 Golub Corporation, Green Island, N. Y.
 Grand Union Super Markets, Miami, Fla.
 The Great A & P Tea Co., Atlanta, Ga.
 The Great A & P Tea Co., Birmingham, Ala.
 The Great A & P Tea Co., Charlotte, N. C.
 The Great A & P Tea Co., Jacksonville, Fla.
 The Great A & P Tea Co., Los Angeles, Cal.

The Great A & P Tea Co., New Orleans, La.
 The Great A & P Tea Co., Portland, Me.
 The Great A & P Tea Co., Raleigh, N. C.
 The Great A & P Tea Co., Seattle, Wash.
 The Great A & P Tea Co., Yeadon, Pa.
 Hart Food Stores, Rochester, N. Y.
 Henke & Pillot, Inc., Houston, Tex.
 Hill Grocery Co., Birmingham, Ala.
 Hinky Dinky Stores, Omaha, Neb.
 The Kroger Co., East Point, Ga.
 The Kroger Co., Greensboro, N. C.
 Market Basket, Los Angeles, Cal.
 Fred Meyer, Inc., Portland, Ore.
 National Food Stores of Louisiana, New Orleans,
 La.
 Penn Fruit Co., Philadelphia, Pa.
 Red Food Stores, Inc., Chattanooga, Tenn.
 Safeway Stores, Inc., Ashley, Tex.
 Safeway Stores, Inc., Benning, D. C.
 Safeway Stores, Inc., Dallas, Tex. (Garland, Tex.)
 Safeway Stores, Inc., Kearny, N. J.
 Safeway Stores, Inc., Los Angeles, Cal.
 Safeway Stores, Inc., Omaha, Neb.
 Safeway Stores, Inc., Portland, Ore.
 Schwegmann Bros. Super Market, New Orleans,
 La.
 Simonetti Inc., Birmingham, Ala.
 Star Market Inc., Watertown, Mass.
 Tradewell Stores, Inc., Seattle, Wash.
 Von's Grocery Company, Los Angeles, Cal.
 Wegman's Food Markets Inc., Rochester, N. Y.
 J. Weingarten Inc., Houston, Tex.
 Winn-Dixie Hill Inc., Harahan, La.

Winn-Dixie Hill Inc., New Orleans, La.
 Winn-Dixie Stores, Inc., Greenville, S. C.
 Winn-Dixie Stores, Inc., Hialeah, Fla.
 Winn-Dixie Stores, Inc., Jacksonville, Fla.
 Winn-Dixie Stores, Inc., Miami, Fla.
 Winn-Dixie Stores, Inc., Montgomery, Ala.
 Winn-Dixie Stores, Inc., Raleigh, N. C.
 Winn-Dixie Stores, Inc., Tampa, Fla.
 Wissmans, San Francisco, Cal.

The Commission's Exhibits specified in the left hand column of Commission's Exhibits 5160-5168, 5170-5173, 5175-5180, 5196-5203, 5206, 5209-5222, 5224-5225, 5227, 5228, the third entry of 5229, and 5230, state in each case that the private label evaporated milk there involved was sold by the respondent to a person, firm or corporation other than the one designated as "customer" in the above enumerated Commission's Exhibits; and accordingly the respondent does not stipulate or agree that any of the persons, firms or corporations so designated as "customer" was a private label evaporated milk customer of the respondent.

Dated: July 2, 1959.

(Signed) RAYMOND L. HAYS

(Signed) JAMES H. KELLEY
 Counsel Supporting the
 Complaint
 CECIL I. CROUSE,
 350 Madison Avenue,
 New York 17, N. Y.

and
DEWEY, BALLANTINE,
BUSHBY, PALMER & WOOD,
40 Wall Street,
New York 5, N. Y.

(Signed) KEN V. LUKERYBERT
A Member of the Firm
Counsel for Respondent

COMMISSION'S EXHIBIT No. 5309

Mr. Sam Thompson

A. J. Berry, Jr.
July 19, 1957

Paul Hartley telephoned me and gave me the following information:

Winn-Dixie, Greenville, has apparently been running some unusual specials on their Dixie-Home Evaporated Milk. Paul mentioned specials as low as 9c per can. He says that Winn-Dixie has on hand some old uncoded Dixie-Home label which was packed by their former supplier, and now that they are getting their requirements from us, they want to move out this old milk. He does not know the quantity they have, but he is pretty sure that the very low retail price has been an effort on their part to liquidate this old stock.

A few days ago, the owner of LittleJohn Smith Company, Spartanburg, went in to see our Broker, LittleJohn Smith. LittleJohn Smith has a chain of about 30 stores. Paul says that they have always been very cooperative with us. The owner talked to our Broker (McDowell) and said that he was getting a little concerned about these Winn-Dixie specials. He said it was his understanding that we were packing Dixie-Home for Winn-Dixie. He was not angry in the slightest, but he told McDowell that he could not compete with these specials using Armour milk and that he had about come to the conclusion that it would be necessary for him to have his own Private Label, and he asked whether his Company was sufficiently large to be of interest to Borden as far as supplying him a Private Label. He stated that he naturally turned to Borden — first, because he has had past friendly relationship, and, second, because he was in hopes of getting a Private Label at a price competitive to Winn-Dixie.

McDowell referred the matter to Paul. I requested that Paul inform LittleJohn that he had referred the request to the Home Office but that it would be a number of weeks before the request could be acted upon in any fashion, as the several people involved were either away on a trip or away on vacation. Paul said that this would be completely satisfactory. He reiterated that LittleJohn Smith was not peeved in any way but that we should give them the utmost consideration because they had always been so cooperative in connection with sales, merchandising, etc. of Borden products.

In 1956, LittleJohn Smith sold 16,703 cases of Silver Cow, which represented a gain of about 1600 plus cases

over the previous year. For six months of 1957, their sales have been 8,075 cases, which is 875 cases behind the same period of last year.

A. J. BERRY, JR.

2 extra cc to S.T.

COMMISSION'S EXHIBIT No. 5311

Sam—

The attached came yesterday, I talked to Hartley. He has no objections. He says this is a tight co-op with 18 stores at Columbia and 3 at Charleston. We did 1595 cs at Columbia in 1956 and 5300 cs at Charleston (Borden Brand). The agalea label will hurt C & P more than us in these 2 markets.

May I have your and CSS.

JEFF

P. S. This is Chester not Lewisbury and is O.K. with Hunt.

COMMISSION'S EXHIBIT No. 5315

Mr. Paul Hartley
Atlanta Office

December 27, 1957

A. J. Berry, Jr.

Dear Paul:

The latter part of November, A. C. Bowie wrote me as follows:

"Mr. Berry, for your information quite a quantity of evaporated milk is being sold in this market under private labels. Some of our customers have asked us why is it that we do not offer them evaporated milk packed under their private labels. They are buying this milk from our competition and are going to continue to buy it as long as it is cheaper in price than advertised brands. Therefore, under the circumstances, we too would like to have the privilege of offering private label brands of milk for shipment from Chester, S. C. or from whichever plant you may have it to offer for shipment. It will be appreciated very much by us if you will let us have information as to how we are to go about our solicitations for private label brands of milk and how we are to handle the orders after we receive them.

This should have been handled before but with the press of many things I have not been able to get to it.

Under the circumstances, I think it should be handled thru you.

We are in a position to take on a few more selected accounts. Naturally, we prefer to deal with the best and the ones that can do us the most good. We certainly don't want to end up by soliciting a bunch of "peanut" accounts.

I would appreciate it if you would tell Bowie a bit about the set-up and how it is handled. Perhaps he could make a list of accounts in his territory that have P. L., give the estimated yearly volume and then let you have this list. You could add your comments and send the list on to me indicating the ones you think might be OK for us. At that point, we could determine how best to proceed.

Please explain to A. C. Bowie the reason for my not replying direct. It would be a mistake for him to go around soliciting without some advance determination.

Thanks, Paul. My best wishes to you.

Sincerely,

A. J. BERRY, JR.

AJB:ED

COMMISSION'S EXHIBIT No. 5317

INTER-COMPANY AND OFFICE CORRESPONDENCE

To: Mr. O. D. Hall
From: Paul J. Hartley
Located At:
Date: Dec. 18, 1957
Subject: CONFIDENTIAL

Dear Doyle:

You have known right along of the 10c and 7c specials on Thrifty Maid in the Carolinas. McDowell was able in a very confidential manner to get the attached set of figures covering the sale for forty-five weeks of this year.

You will note that our loss vs 1955 is somewhat greater than Pet or Carnation, but in considering that about 5,000 cases of this is due to being kicked out on small, then our loss on tall size basis would be a little less than the other two.

Thought you would be interested in this information.

Very truly yours,

PAUL

PJH:is
CC: W. T. Crowe

CONSOLIDATED BROKERAGE COMPANY

WAREHOUSE AND STORAGE
FACILITIES



FOOD BROKERS AND
DISTRIBUTORS

OFFICES AND WAREHOUSES AT SPARTANBURG AND GREENVILLE, S. C.

SPARTANBURG, S. C.

December 10, 1957

Mr. Paul J. Hartley
c/o The Borden Food Products Co.
813 William-Oliver Building
Atlanta 3, Georgia

Dear Paul:

They gave me these figures at Winn-Dixie yesterday for 45 weeks, on Evaporated sales. They have featured private label at .10¢ per can, chain wide for the last few weeks, which don't help our Silver Cow sales any.

Very truly yours,

C. H. McDowell

CONSOLIDATED BROKERAGE CO.

CHM/jv
Enc:

FEDERAL TRADE COMMISSION

DOCKET NO. 7129, IN THE MATTER OF... EXHIBIT A-5318A

IN THE MATTER OF... Borden Company

DATE 6/8/61 WITNESS

See REPORTER, Co. official reporter
By S. M. M. M.

IN CAMERA

EST		CARNATION		SILVER COW	
1955	1956	1955	1956	1955	1956
44167	54431	75283	95625	39226	46011
	45837	82183			
	- 8593	- 12442			
					36929
					- 9082

THIS IS SALES FOR 45 WEEKS.

THEIR PRIVATE LABEL WILL RUN ALMOST 150,000 CASES.

Very Confidential. Paul

9082

5000

82

IN CAMERA

FEDERAL TRADE COMMISSION
Exhibit No. 1124
Exhibit No. 5318B

IN CAMERA

F A

COMMISSION'S EXHIBIT No. 5320

Saleman's Correspondence Paper

Borden's
350 Madison Avenue, New York 17, N. Y.

Received July 18, 1957

Name A. S. McCaughan
Date July 16, 1957
Address 210 N. W. 127 St. Miami
Attention of Mr. P. J. Hartley
Subject

Dear Mr. Hartley,

Charlie Hartz has obtained a letter from Kwik-Chek authorizing Borden salesmen to re-arrange evap. milk sections in their stores to place the private label "Thrifty Maid" between Borden and Carnation.

This is a golden opportunity in many stores — most stores — because if I move any cases of milk it's a sure thing Carnation and Pet won't be improved.

With Van on vacation and with the help of Art Corvin I plan to stay with this until finished. I will let you know the results.

832

Coffee

I will also work coffee on above coverage. Original instructions were to hold coffee sales on Saturdays through July 13th (8 weeks). If we are to continue these sales please let me know.

Best regards,

ALAN

RECEIVED

RECEIVED

MR. P.J. WARTLEY JULY 26, 1957
A.G. McCaughan RECEIVED

DEAR MR WARTLEY,

ATTACHED IS A LIST OF KWIK-CHEK STORES SHOWING THE RESULTS OF THE SPECIAL COVERAGE TO INCORPORATE THE PRIVATE LABEL "THRIFTY-MAID" INTO EXISTING EVAPORATED MILK SECTIONS.

WHILE THE NUMBER OF ROWS IS NOT AN EXACT PICTURE OF A MILK SECTION IT IS CERTAINLY CLOSE ENOUGH TO GIVE US AN IDEA OF THE TOTAL MILK DISPLAYED. I POINT THIS OUT ESPECIALLY IN REGARD TO PET WHERE 6 ROWS ON THE SHELF MAY HOLD 6 CASES AND 6 ROWS OF BORDENS ON THE FLOOR MAY HOLD 14 CASES OR MORE.

YOU WILL UNDERSTAND THAT IN VAN'S STORES, I COULD NOT BE CERTAIN OF THE "BEFORE" BECAUSE MANY OF THEM HAD ALREADY BEEN CHANGED WHEN ART CORVIN AND I ARRIVED. I HAVE LISTED SHEET #2 FOR YOUR INFORMATION TO SHOW THE WHOLE PICTURE.

WHERE POSSIBLE WE HAVE PLACED ARMOUR'S MILK NEXT TO BORDEN'S. AS ARMOUR IS SOLD DOWN THE EASY WAY OUT FOR THE STOCK CLERK IS TO FILL THE ROWS WITH BORDENS.

THANKS TO CHARLIE HARTZ FOR ASSIGNING ART CORVIN TO WORK WITH ME FOR EIGHT FULL DAYS.

Best regards,
Dean

KINDER EVAPORATED MILK SECTIONS.									
ADDRESS	BEFORE		AFTER		POSITION IMPROVED	NET ROWS CHANGED			
	BOR - CARN - PET		BOR - CARN - PET						
ELIST	6	12	12	6	YES	-2	-6		
WIE	14	12	12	12	YES		-4		
21ST	4	4	10	4	YES	+6	-3		
Stata	8	12	12	8	YES		-4		
WOOD	10	12	10	9					
LAND	6	12	12	8	YES	+2			
41	12	18	12	12	YES		-6		
RELVED	4	6	4	4			-2		
IS CEN	6	12	6	6	YES		-4		
S. DIX	6	12	6	4	YES		-4		
S. DIX	4	6	4	4	YES		-2		
V. DIX	4	4	4	4	YES				
MSRED	12	12	12	12	YES				
TON	6	12	6	6	YES		-6		
RAY	6	6	6	6	YES	-2	-4		
RATON	12	12	12	12	YES	+3	-1		
Ingano	12	12	6	6	YES	+6	-6		
E. 6th	6	8	6	4	YES	+1	+4		
TRIP	4	10	6	5					
NEWS	12	24	18	18	YES				
WISSE	4	8	8	12	YES				
WISAV	12	12	12	6					
RAND	6	6	6	4	YES				
LS:	176	244	200	192	209	168	+16	-35	-32
1201 SUNRISE - EVAP MOVED FROM FLOOR TO SHELF WHICH ACCOUNTS FOR INCREASED CARNATION ROWS.									
EQUALS 28 CASES L									
EQUALS 51 CASES LESS MILK ON DISPLAY									
EQUALS 18 CASES MILK ON DISPLAY.									

2149 MPFAT	12	12	12	12	12	12
5 S. ONE E	4	4	4	4	4	4
DEARAY #2	6	12	6	6	12	6
BOMBARNO 300	6	6	8	4	6	4
1117 SE. 6th	4	8	4	4	4	12
L. FOREST	14	18	12	4	4	4
S300 NE 2ND	4	4	4	4	4	4
8890 NW 7th	12	12	12	4	4	12
775 NW 119	12	12	4	4	4	4
924 NW 27	4	4	6	4	4	6
79 ST. Hebech	4	5	6	4	4	6
FRAMINGO	12	12	6	4	4	4
2144 NW 7	4	8	4	4	4	4
285 NW 27	4	8	4	4	4	4
45 SW 8th	10	4	4	4	4	4
M. SPRINGS	6	12	6	4	4	6
OPA LOCKA	4	8	4	4	4	4
N. MIAMI	4	4	4	4	4	4
2425 SW 8	4	4	4	4	4	4
3801 FRAS	4	4	4	4	4	4
6709 "	4	4	4	4	4	4
2055 GRAND	6	6	4	4	4	4
212 SW 32	4	4	4	4	4	4
1525 CORAL	4	8	6	4	4	6
6609 LEBER.	6	6	6	6	6	6
TOTALS	158	189	138	158	189	138
TOTALS	176	244	200	192	209	168
PAGE #/	334	433	338	350	398	306

PERSONAL FILE

COMMISSION'S EXHIBIT No. 5322

Mr. A. G. McCaughan

Paul J. Hartley
July 31, 1957

Dear Alan:

This will acknowledge with thanks your letter of July 26th to which you attach a complete analysis of the before and after picture showing positions improved, rows gained for Borden's Evap and rows taken from our competitors in connection with re-arranging the milk positions in the Winn-Dixie stores. This represents a very fine piece of work, Alan, and I wish to extend my sincere appreciation. Your report was very detailed and very helpful to me and it will be placed in your personal file.

I am also most appreciative of Art Corvin's good work and by copy of this letter I am extending our appreciation to Charlie Harts for assigning Art to us for the eight days involved. I am asking Charlie to convey our thanks to Art for the good work he did.

There is no question but what this will be of great benefit to us over the long pull in the Miami territory and I think all of you did a splendid piece of work.
Many thanks.

Very truly yours,

PJH:is

CC: W. T. Crowe

Charles Harts

J. H. Hand

COMMISSION'S EXHIBIT No. 5325-B

Sales this month

2 oz. Coffee 6453

5 oz. Coffee 3980

Sales this Mo. last year

3500

10,932

PRODUCT REMARKS

COFFEE I have been in almost constant touch with our Florida brokers relative to opposing ranks and holding listing on 2 oz. regular size as the deal diminishes. Also keeping pressure on closing out on Twin inventories. Hazelrig reports from Tampa that Publix will force and advertise the 581 cases next week (week of August 5th). This will be followed up by W. T. Crowe who will be in that market. He will also do some follow up work in Miami. Supervisor will be in Jacksonville working same.

We have a general 2¢ price advantage on our 5 oz. size with A & P, Colonial and Winn-Dixie in the Carolinas vs Maxwell House in that we have a price of \$1.15 vs. \$1.37 on Maxwell with each of them.

Gill's Instant Coffee getting a terrific play in the way of cooperative advertising in the Charlotte market from the standpoint of price specials and tie-in ads with virtually every advertiser. Newspaper section attached hereto. As per instructions, a careful study is being made of the Coffee situation in all brokerage areas except Florida, at this time.

WEEK ENDING August 3, 1957 NAME Paul J. Hartley

EVAPORTED MILK Pet people are putting increased pressure on obtaining tie-in newspaper and advertising support at this time. This is reported in Columbus, Atlanta and Charlotte. Also reported to me in Greenville this week that instead of any national advertising in that area the Pet local representative has been given a local budget to obtain ad support for a period of two months. Also learned that Pet people have changed their procedure of reporting whereby their salesmen now must report on store positions and competitive rows in the same manner as Carnation men.

Winn-Dixie people in the Greenville unit followed the 9¢ specials on private label with a 10¢ chain-wide feature on same. This continues to concern the Community Cash people in the Spartanburg area and it is obvious that if this continues Community Cash will continue to try to combat it with Armour's or some other off brand or a private label of their own which will take the long standing support from us.

Evap sales this month 65,388 Sales last month 50,695
WEEK ENDING Aug. 3, 1957 NAME Paul J. Hartley

STARLAC The fact that we have for sometime had and held a price advantage on 12 Quart vs Carnation's 8 Quart in the Greenville, S. C. area has helped us considerably. 12 Quart appeared to still be selling very good in the stores visited this week. This price advantage in our favor still exists with both the important Winn Dixie and Colonial Store units as follows:

Colonial Carnation 8 Quart 79¢ — Starlac 12 Quart 89¢
 Winn-Dixie Carnation 8 Quart 75¢ — Starlac 12 Quart 85¢
 A & P, Charlotte unit, pushing their large size powder and still refuse to stock a competitive large powder.

Cloverleaf continues with local TV advertising in Atlanta area.

Sales this year Total Pounds 368,458 — Week Ending Aug. 3, 1957

Sales this month last year 341,808
 Name 'Paul J. Hartley

COMMISSION'S EXHIBIT No. 5327-B

PRODUCT REMARKS

COFFEE Since W. T. Crowe's detailed report covers the Rich Roast progress in detail, I will simply state that Winn-Dixie, Greenville, and Colonial, Columbia, remain as the only distribution hold-outs at this writing. Both of

these have restocked 5 oz. size. Twin Pack pending and being worked hard by all concerned.

Detail progress has gone off in fine fashion insofar as the time-table is concerned. We were greatly assisted by the very capable outside help. As of today, all markets except Greensboro, Charlotte and Knoxville have been totally completed with a fringe of secondary trade remaining to be handled this week in these three markets. Major portion of the primary trade was covered by the end of two weeks.

Competition by all primary and secondary factors extremely keen and being stepped up. We have already seen signs of Maxwell House, NesCafe and Chase & Sanborn fighting back to undo what we are able to do. Also have heard some unconfirmed reports that NesCafe has something big working.

WEEK ENDING Nov. 2, 1957 NAME Paul J. Hartley

EVAPORATED MILK Winn-Dixie ran Thrifty Maid special at 10¢ throughout Carolinas this week. They continue to keep advertised brands cut back to the bone and spread Thrifty Maid. Of course, competition is suffering along with us and our space remains proportionately as good as it has been in the past vs Pet and Carnation. This is not only hurting us and other advertised brands from the standpoint of support by Winn-Dixie, but is keeping us from being able to get tie-in features from the smaller factors, who have to compete with the chain, in that they are forced to fight this with Armour's or their own private

label. It seems that where they can do nothing to combat this with some other milk that they run some other commodity as a loss leader.

Carnation is now in the process of covering the trade working their special promotion on pumpkin pie with recipe leaflets and other point of sale material. On this same recipe leaflet, they have other recipes "for smoother holiday eating" featuring cream sauce, gravy and five minute fudge. Our Evap featured this week at White Stores, Knoxville, 6/89¢

WEEK ENDING Nov. 2, 1957 NAME Paul J. Hartley with TV advertising, displays, and special posters made up by their merchandising dept.

STARLAC White Stores, Knoxville, Tenn. this week featured 12 Quart Starlac in connection with their Stock Up Time Promotion with displays in all of their 42 stores. They also had TV advertising in this connection and special posters made up by their own merchandising department.

We received quite a bit of suport from the leading chains on our Starlac contract from Colonial, Kroger, A & P and Winn-Dixie throughout the district. A & P, Atlanta, ran both 8 Quart and 5 Quart at a special price of 29 and 39¢ this week — this was marked "week-end special" and was a large banner type ad.

A & P in the Carolinas featured Carnation milk solids 9.1 oz. carton at 30¢ this week. With the retail men getting back into their own territories after working Rich Roas

for the past two weeks, they will have more of an opportunity to book out displays and follow through on shelf work in the face of the new Pet package which is gradually coming into the territory replacing the jar and reported selling extremely good.

Week ending Nov. 2, 1957

Name Paul J. Hartley

COMMISSION'S EXHIBIT No. 5329-A

PRODUCT REMARKS

COFFEE Borden's Instant Coffee in the Charlotte Area does not enjoy too much movement or shelf space in the stores. We are running a poor fourth in the stores and in the majority of, the stores the off brands have approximately just as much space on the shelf as we do. Winn-Dixie Stores advertised 6 oz Astor for 99¢ and also advertised the 6 oz Chase and Sanborn for 1.23. A & P continues to advertise their instant coffee in all of the markets. The off brands are getting quite a bit of advertising support in many of the markets. In the Atlanta Area, Nescafe advertised the 6 oz with 15¢ off label deal as being available in this market for purchase. I have not had the opportunity to observe the stores to see if they actually have the stock or not.

WEEK ENDING August 16, 1957

NAME J. M. Hand

EVAPORATED MILK The evaporated milk picture remains highly competitive throughout most of the markets with the Chains promoting their private labels. They are

giving these labels prominent display space in all of the stores and it is getting rather difficult to get extra space.

Carnation is currently pushing the Fluffy Fruit Pie with variations. This recipe is tied in with Spry, Carnation and Gold Medal Flour as the attached recipe leaflets. They are getting some displays in the stores and placing the point-of-sale material.

Carnation is also pushing a chocolate soda made with Carnation Chocolate Drink and root beer. Recipe is attached to this report.

This week-end in Atlanta, Pet has their evaporated milk advertised at 3/39¢ in the Big Apple Stores in conjunction with Big Apple birthday.

WEEK ENDING August 16, 1957

NAME J. M. Ha

STARLAC Pet is continuing their present push on the butter milk recipe and point-of-sale in most markets. We are planning a counter attack with our butter milk recipes which, have been ordered for each man in the district. Shelf-wise we are in pretty good shape in most of the stores, but some of the merchants tell me that Starlac is not moving like it used to. Under these circumstances I recommend him handling all sizes to determine which one or two or three will be best for him to handle.

Carnation Instant has a Cranberry Chiffon Freeze recipe which they are presently pushing, as per attached recipe.

WEEK ENDING Aug. 16, 1957

NAME J. M. Ha

COMMISSION'S EXHIBIT No. 5331

INTER-COMPANY AND OFFICE CORRESPONDENCE

To: Mr. W. J. Wilkes
From: L. S. Merrill
Located At: San Francisco
Date: May 3, 1957
Subject:

Dear Bill:

This will confirm our telephone conversation earlier today in which I advised you that we had complaints from most of our Evaporated Milk private label customers in District 12 about the billing price on March shipments. You advised me on the phone that some clerk had made a mistake and used the Modesto price instead of Albany. I appreciate your prompt action and teletype advising that corrected invoices are being sent air mail today.

This mistake was most unfortunate because, as I told you, we had a telephone call from Frank Wray in Portland reporting that several customers had called him, together with letters from Johnson-Lieber, Seattle, and Olson Brokerage, Spokane, reporting they had complaints from each of their private label customers.

As you know, we have encountered several mistakes in the past in connection with freight charges, and I am sure you appreciate that none of these errors make it any easier to keep our good customers happy. My urgent hope is that

the Washington customers did not start to look for other sources of supply because of high price billed in earlier

JERRY
L. S. MERRILL

LSM:wb

cc: Mr. O. D. Hall
Mr. A. J. Berry, Jr.

COMMISSION'S EXHIBIT No. 5332
BORDEN'S

Established 1857

March 14,

Mr. Frank Wray
Portland, Oregon

Mr. John Forehand
Olson Brokerage Co.
Spokane, Washington

Mr. Jack Flynn
Johnson-Lieber Co.
Seattle, Washington

Gentlemen:

When we first talked with you and our customers about private label evaporated milk, we explained that the COTM (cost other than milk) figure would be reviewed about every six months and adjustments made as cost required. It so happens that because of pressure of other things in our home office, these costs were not reviewed for more than a year. In the meantime, we have had increases in the cost of tin plate, increases in wage contracts, increases in fuel costs, increases in hauling costs, and our most serious problem is there has been a reduction in the amount of milk available to our Albany, Oregon, plant. Due to the lower quantity of milk, our cost per case has automatically increased.

Because of these factors, we have found that it is necessary to immediately increase our COTM figure by 20¢ per case. This will become effective close of business March 15, 1957. This means that our estimated price on tall size, not including labels, F.O.B. Albany, will be \$5.35 to \$5.58 for the last half of March.

I am sure our customers are somewhat familiar with these increased costs and probably have wondered why we have not reflected them sooner. Our error in this regard has been of course to the customer's advantage.

Obviously, we and other manufacturers have the same increased costs on our own brands, and I don't imagine any one will be happy about absorbing these costs much longer.

Will you please advise our private label customers accordingly.

Sincerely,

(Signed) L. S. MERRILL
L. S. Merrill

LSM:ab

cc: J. B. Irelonger
A. J. Berry, Jr.

COMMISSION'S EXHIBIT No. 5359

Mr. L. S. Merrill
The Borden Food Products Co.
461 Market Street
San Francisco 5, Calif.

E. H. Bulger
New York City
Sept. 30, 1957

Thanks for your letter of September 27th together with your assistance in connection with M.P.A., Modesto.

This morning we received their check mailed September 24th in the amount of \$6362.00 paying invoices from August 2 to August 9. They now owe \$48,816.00 covering invoices from August 12 to September 19.

Frankly, we are very concerned regarding this account, both from a credit standpoint and in connection with their recent internal changes and if you could possibly arrange your schedule to see them as soon as possible, it sure would be appreciated.

We are anxious to ascertain the story behind these recent changes and at the same time have it understood with them that we shall expect payments to be made on a weekly basis with terms of no later than 30 days.

We will keep you posted of all developments in connection with this account.

E. H. BULGER
Credit Manager

EHB/la
Via Air Mail
cc: Mr. A. J. Berry

COMMISSION'S EXHIBIT No. 5372-A

Mr. L. S. Merrill
San Francisco Office

A. J. Berry,

PERSONAL & CONFIDENTIAL

December 10, 1957

Dear Jerry:

In reply to yours of December 4, I'm giving you some more F.O.B. Plant figures.

1. One sheet contains costs at Albany and Modesto small size for November and December 1956, plus the first 10 months of this year. That gives you a year's record. To the present, small cartons have been furnished to us at Modesto, so I don't know the exact price of plain stencil cartons. We've used the Albany cost.

2. Sheet 2 gives you Albany and Modesto tall for November and December 1956 and for October 1957. With the figures I left with you, you have a year's record. The Albany price on cartons is used at Modesto for the same reason as mentioned in 1 above.

3. Your question about the margin included in COTM's is rather difficult to answer. The planned margin at Albany was \$.20 per case, tall size, and \$.10 per case, small size; at Modesto, \$.15 per case, tall size, and \$.07 per case, small size. Under our old review system, we

review COTM's twice each year in the light of experience for the most recent 6 months, i. e., we'd review in August for January to June and in February for July to December. The trouble was that if variations crept in, it was 8 to 9 months before we caught up with them. Albany was the best example. COTM's at Albany were based on milk receipts of some 28,000,000 lbs. per year. All of a sudden, we woke up to the fact that a lot less milk was flowing through and instead of a \$.20 profit, we were experiencing an actual loss.

Accordingly, the Cost Department makes a monthly comparison for us now. This compares the number of cases put through each month with the same month the previous year and gives the actual cost per case for each month. It gives the variation over (under) cost per case for the current month vs. the same month the previous year and the cost per case by which current COTM rates exceeds the previous year's actual cost.

I have arranged with Doug Logie to send you this review each month for Albany and Modesto. Meanwhile, here is the record for this year since the system was installed.

<i>Planned Margin Tall 48's</i>		<i>Actual Margin to Date</i>							
<i>in current COTM Rates</i>		<i>As at the close of each month 1957</i>							
		<i>Mar.</i>	<i>April</i>	<i>May</i>	<i>June</i>	<i>July</i>	<i>Aug.</i>	<i>Sept.</i>	<i>Oct.</i>
Albany	.20	.1524	.2247	.2481	.2456	.2255	.2285	.2218	.2172
Modesto	.15	.2950	.2581	.2485	.2355	.2364	.2276	.2283	.2299

COMMISSION'S EXHIBIT No. 5372-B

Mr. L. S. Merrill

December 10, 1957

This enables us to watch a trend at each plant. It (the margin) will shrink during the Winter because of less units going through. We can see what's happening and can make a change at one or more plants quickly, if necessary. This review system was installed last March when we found we were in the red at Albany and in bad shape at other points.

I hope the above will help answer your question.

Sincerely,

A. J. BERRY, JR.

AJB:ED

COMMISSION'S EXHIBIT No. 5404

July 15, 1957

Mr. John B. Commander
General Public Relations Manager
Colonial Stores, Inc.
P. O. Box 4358
Atlanta 2, Georgia

Dear John:

Thank you very much for your letter of July 3 asking our opinion of advising South Carolina farmers supplying milk

to our Chester plant that CS brand is a product of their farm.

We discussed this suggestion thoroughly with our Public Relations people who have had a lot of experience dealing with producer groups. It is their opinion that the suggestion would be difficult to carry out and that it might create some undesirable problems for you as well as for us. This opinion is based on various past efforts to communicate ideas to producer groups — efforts that were often abandoned because we encountered problems peculiar to farm communications with a shifting producer list.

Business people understand the practice of manufacturers turning out products for other distributors, but, apparently farmers in the main do not. Publicity about our arrangement could be very unsettling because it would undoubtedly touch off all kinds of rumors, and these spread far faster in a rural area than in a city. We know from experience that you can't forecast the shape that a rumor will take.

I know you understand our desire to cooperate with you in every possible way, and I hope that you will appreciate our position in this matter.

Very truly yours,

O. D. HALL

DDH:jc

COMMISSION'S EXHIBIT No. 5456

Mr. A. J. Berry

O. D. Hall
April 18, 1957

As you will recall, last May when we reduced our manpower authorizations in order to bring our field sales costs more in line with our sales trends, we decided to eliminate the duplicate coverage where it existed between full line and special evaporated milk salesmen. We, however, want to retain and add to the benefits that had accrued in our use of special evaporated milk salesmen in many markets. We decided to eliminate the classification of Evaporated Milk Salesman. We eliminated duplicate routes and assigned these men to full line work, but have allowed time in their schedule for them to do medical work or special coupon work in their coverage plan. For lack of a better classification we called these men Combination Full Line-Evaporated Milk Salesmen.

As we have moved along with this operation, it is increasingly evident that we need to further refine and define this particular job classification. As per our conversation, we are studying the work of each individual salesman. Where it is found that a salesman, according to plan, actually is devoting less than one day of the five working days in a week to either medical work or other special designated work on Evaporated Milk, we intend to throw these men into the classification of Full Line Salesmen in order to prevent confusion and to more accurately allocate costs to you.

As Starlac bears part of the cost or medical detail work done by these men, it will then be up to you and Starlac to determine the percent of cost that should be allocated to these men in a total, and the amount that is to be divided between the two products. As a guide, the only work that is done on Starlac is when these men make a physician or hospital call. Also, it would be my suggestion that you and Starlac absorb 20% of a cost of a man, with the 80% going to full line charges. We will advise you of the exact number of men, by districts, that are to be considered as Combination Full Line Salesman. This should clarify the job classification and more accurately allocate costs. You will realize, however, that there will be full line men who are devoting less than 20% of their time either to medical or special evaporated milk work, but it is impossible to charge your product accurately for this work. These men, however, should continue to receive the materials from your department necessary to carry on any medical work they are currently doing, and we will furnish you with a list of these men.

O. D. HALL

ODH:jc

cc: Messrs. Strickler

Thompson

Cleary

COMMISSION'S EXHIBIT No. 5479-A

May 17, 1960, in claimed justification of
Price Differences between Borden Brand and
Private Label Evaporated Milk - Year 1957.

The respondent, on May 19, 1960, put into evidence as RX 76 a cost study of their price differentials during the year 1957 between Borden brand and private label evaporated milk. Although the period covered by the complaint was from January 1, 1956 to March 31, 1958, the cost study was limited to the year 1957.

The respondent sold Borden brand evaporated milk through its Food Products Division to wholesale grocers, chain grocery stores and independent retail grocery stores. The sales were made by the respondent's own salesmen in most areas and by food brokers in the remaining areas. The Borden brand evaporated milk was sold at a uniform price throughout the country for each size can. It was packed in four different sizes and during the year 1957 was sold in the following quantities:

Size	Cases Sold	Cases Sold Tall 48
Tall 48's	3,944,033.39	3,944,033.39
Small 48's	565,595	282,797.50
Small 96's	77,055	77,055.00
Confectioners	10,524.83	10,524.83
Total		4,314,410.72

The price of the tall 48's was \$6.30 per case at the beginning of 1957 and on March 30, 1957 was raised to \$6.45, and on November 19, 1957 was increased to \$6.60 per case. The price for the small 48's was one-half of the price for the tall 48's.

In contrast to the uniform delivered Borden brand price the private label price was f.o.b. plant and varied with the packing plant and changed from month to month with the cost of milk. The price was computed as follows:

IN CASE OF
FEDERAL TRADE COMMISSION
DATE 6/8/60
ACE REPORTING CO. Official Reporter
By *DM*

COMMISSION'S EXHIBIT No. 5479-B

1. Average milk cost for the month.
2. Cost other than milk (C.O.T.M.), which represented the processing costs plus a gross margin. This varied between plants.
3. Cost of hauling milk to processing plant.
4. Cartons at actual cost.
5. Labels at cost unless supplied by customer.
6. Credit for spoils allowance of 1/10 of 1% of billing price.
7. Freight was prepaid for the account of the customer and the amount was included on each invoice.
8. Invoice prices were net and not subject to cash discount.

During the year 1957 the records of respondent show that the following quantities of private label evaporated milk were sold by the respondent:

<u>Size</u>	<u>Cases Sold</u>	<u>Cases Sold</u> <u>Tall 48 Basis</u>
Tall 48's	1,052,553	1,052,553
Small 48's	104,288	<u>52,144</u>
Total		<u><u>1,104,697</u></u>

The respondent's cost study has been reviewed and the underlying accounting records and other data have been checked. A summary has been prepared of the price differences and the cost differences between the sale and distribution of Borden brand and private label evaporated milk by the respondent during the year 1957. The sales were limited to shipments from the respondent's Chester, S. C. and Lewisburg, Tenn. processing plants. The summary shows a net price difference, after deducting damaged goods and cash discount, of \$1.4181 per case while the total cost difference was \$1.0156 which indicated a cost failure of \$.4025 per case. The respondent's cost study showed a cost difference over price difference of \$.1891 per case." The price and cost adjustments which changed the respondent's cost justification to a cost failure are explained in the text following the summary comparison.

IN CAMERA

IN CAMERA

FEDERAL TRADE COMMISSION

UNITED STATES DEPARTMENT OF COMMERCE 5479-C

859

COMMISSION'S EXHIBIT No. 5479-C

Summary of Price Differences and Cost Differences between Sale and
Distribution of Borden Brand Evaporated Milk with Private Label
Evaporated Milk for Shipments from Chester and Lewisburg Plants -
Year 1957.

	Borden Brand			Private Label			Difference per Case
	No. of Cases	Total Amount	Per Case	No. of Cases	Total Amount	Per Case	
Sales	334,971	\$2,169,310.15	\$6.4761	334,971	\$1,648,865.71	\$4.9224	\$1.5537
Sales Deductions:							
Damaged Goods		3,751.68	.0112		1,648.87	.0049 -	.0063
Cash Discount		43,311.17	.1293		- -	-	.1293
Net Sales		\$2,122,247.30	\$6.3356		\$1,647,216.84	\$4.9175	\$1.4181
Labels and Cartons		\$ 56,777.58	\$.1695		\$ 66,625.73	\$.1989 -	\$.0294 1/
Primary Freight		87,192.95	.2603 -		837.43	.0025 -	.2578
Secondary Freight		3,751.68	.0112		-	-	.0112
Warehouse Storage		23,112.00	.0690 -		-	-	.0690
Assignment Storage		10,216.61	.0305		-	-	.0305
Investment in Accounts Receivable & Inventories		-	-		-	-	-
Premium Label Redemption		75,267.98	.2247		-	-	.2247
Advertising		39,794.55	.1188		-	-	.1188
Sales Department		97,677.54	.2916		301.47	.0009	.2907
Brokers' Commissions		13,197.86	.0394		4,220.63	.0126	.0268
Promotion Department		6,330.95	.0189		4,120.14	.0123	.0066
Merical Expense		5,058.06	.0151		2,076.82	.0062	.0089
Total Costs		\$ 418,378.74	\$1.2490		\$ 78,182.22	\$.2334	\$1.0156
Cost Failure							\$.4025

1/ Denotes red figure.

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Private Label. - The private label sales were accumulated from the sales invoices and settlement sheets on shipments from the Chester, S. C. and Lewisburg, Tenn. plants, during the year 1957, as follows:

Plant	Size	No. of Cases	Sales Amount
Chester	Tall/48's	142,680	\$ 699,860.81
	Small/48's	8,526 1/	40,971.53
Lewisburg	Tall/48's	178,519	882,584.83
	Small/48's	5,246 1/	25,448.54
Total		334,971	\$1,648,865.71
Average price per case			\$4.9224
1/ Tall size basis.			

The individual private label shipments from the Chester plant are shown on CX 1085-1287 and from the Lewisburg plant are shown on CX 1527-1649 and on CX 2101-2113. Tabulations of the Chester shipments are shown on CX 160-5173 and of the Lewisburg shipments on CX 5202-5217. The sales prices, as shown by the invoices, represent the f.o.b. plant prices. When the freight was prepaid, the amount was added to the invoice and collected from the customer.

The private label evaporated milk sales, as shown by respondent's cost study, represented an accumulation of sales from all plants.

Borden Brand Sales. - Sales of Borden brand evaporated milk, as shown by respondent's cost study, were accumulated from the regular monthly sales tabulations. These sales included sales from all plants and in many areas, such as Chicago, where no private label sales were made. In addition, such sales data included sales of Borden brand in other areas prior to the first sale of private label in those areas. For example, the first shipment of private label from the Chester plant was made in May 1957. In addition, the Borden brand sales included sales of small 96's and confectioner's size, neither of which was packed for private label customers. All of these factors affected the average price of the Borden brand as shown by respondent's report.

In order to eliminate these extraneous factors, the Borden brand sales have been computed on the basis of the identical quantities of private label shipments and have been priced at the prevailing Borden brand price in effect at the date of shipment of the private label. The average price per case of the Borden brand thus computed was \$6.4761 which, compared with the average private label price, resulted in a difference of \$1.5537 per case which difference was due solely to price.

The Borden brand evaporated milk was sold at the same delivered price throughout the country subject to a 2% cash discount. The private label evaporated milk was sold f.o.b. plant on a net cash basis, as heretofore explained.

Damaged Goods. - The respondent on the Borden brand offered a swell allowance of one-tenth of one percent of purchases to customers in lieu of replacement or credits for damaged goods. In addition, payments to warehousemen for repacking damaged cases or cost of replacing damaged cans in retail stores were included in this expense. The average expense of \$.0112 per case for damaged goods on Borden brand claimed by respondent was accepted.

Private label customers, likewise, were offered a swell allowance of one-tenth of one percent of purchases in lieu of damaged goods. All customers buying from the Chester and Lewisburg plants received the allowance which averaged \$.0049 per case.

Cash Discounts. - As previously stated, no cash discount was offered to private label customers. However, purchasers of Borden brand were offered two percent cash discount for payment within 10 days. Purchasers of Borden brand evaporated milk usually purchased other products from the Borden Food Products division and a check of the cash discounts for the whole division showed a total of 2.01%, or slightly in excess of the discount offered. The explanation for this was that practically all customers take the cash discount and that the allowance of the cash discount on some grocery items carrying consumer refunds resulted in an average cash discount slightly in excess of two percent. The two percent cash discount on the Borden brand averaged \$.1293 per case.

Labels and Cartons. - The cost of Borden brand labels and cartons used in production during 1957 were accumulated from monthly plant reports of manufacturing materials for the Chester and Lewisburg plants. These costs averaged \$.1695 per case for the tall 48's and small 48's packed at those plants. The respondent's claimed cost of \$.1789 per case included the cost of labels and cartons for all plants and small 96's and confectioner's sizes.

Private label costs were accumulated from the same factory records, but, in addition to label and carton costs, included the labor cost of stenciling product and customer identification on plain cartons. All of these costs varied between brands and, more important, some private label customers furnished the labels or the cartons, or both. The respondent, in its cost study, divided the total cost of the labels and cartons which it purchased by the total quantity of cases packed, some of which were supplied without cost by the private label customer, to arrive at the average cost per case. The respondent erred in this calculation. The correct method is to divide the total cost of labels, cartons and stenciling by the number of cases on which the respondent purchased the labels

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of cartons or did the stencilling, thus excluding the cases for which the customer supplied the labels or printed cartons.

On this basis the average cost of labels, cartons, and stencilling on private label evaporated milk packed at Chester and Lewisburg was computed at \$.1989 per case, as follows:

	Total cases packed	Total applicable cases	Cost per case
Cartons	357,437	357,437	\$.0943
Stencilling	357,437	356,487	.0080
Labels	357,437	42,014.5	.0966
Total cost			<u>\$.1989</u>

The average cost per case as computed above was higher than the corresponding cost on the Borden brand and resulted in an adverse cost differential of \$.0294 per case.

Primary Freight. - As stated by respondent's cost report, primary freight on Borden brand consisted of:

1. Cost of shipment from plants to customers, storage warehouses, consignment warehouses, and other Borden plants.
2. The cost of shipment from storage warehouses to customers and consignment warehouses.

The respondent accumulated the primary freight costs on the Borden brand for shipments from all plants during the year. The respondent computed the primary freight cost on the Borden brand, as follows:

Freight on shipments from plants	\$1,416,964.22
Freight on shipments from storage warehouses	<u>161,777.06</u>
Total	\$1,578,741.28
Adjustment for freight on shipments included in inventory (net)	<u>19,308.73</u>
Total outbound freight	\$1,598,050.01
Less:	
Charged to customers on stop-off shipments	\$3,263.40
Claims, etc.	<u>5,509.87</u>
Net Cost	<u>8,773.27</u>
	\$1,589,276.74
Cost per case sold	<u>\$.3684</u>

A recapitulation was made of the freight on Borden brand shipments from the Chester and Lewisburg plants from the same source data as the respondent's summary for all plants. The cost of freight shipments from reserve warehouses and the freight cost included in the opening and closing inventories could not be classified by processing plant. Consequently, the computed freight cost, as shown by the following tabulation, for the Chester and Lewisburg plants represented the average outward freight cost per case for those plants plus the average cost per case applicable to all plants for shipments from reserve warehouses and net freight cost in inventories.

<u>Borden Brand</u>	No. of cases	Freight Cost	Freight cost per case
Freight on shipments from:			
Chester Plant	620,772.5	\$118,043.61	\$.1902
Lewisburg Plant	925,859	222,757.52	.2406
Combined	1,546,631.5	\$340,801.13	.2204
Freight from Reserve Warehouses		\$161,777.06	
Freight in inventories (net)		19,308.73	
		<u>\$181,085.79</u>	
Less:			
Charges to customers on stop-off shipments		\$ 3,263.40	
Claims, etc.		<u>5,509.87</u>	
		<u>\$ 8,773.27</u>	
Subtotal - applicable to all plants	4,314,410.72	\$172,312.52	.0392
Total primary freight - Chester and Lewisburg plants			<u>\$.2603</u>

As previously noted, private label evaporated milk was sold to customers on the basis of f.o.b. plant. However, the respondent generally prepaid the freight and added the amount to the customer's invoice. Also, small sized cans were not produced at all plants and the freight cost of shipping to another plant was not always collected from private label customers. Although the Chester plant did not produce small 48's, the freight from Lewisburg to Chester was included in the customer's invoice.

The computation of the primary freight on private label evaporated milk was based on the freight cost of the shipments from the Chester and Lewisburg plants, as follows:

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Plant	No. of cases	Freight cost	Freight charged to customers	Net Freight Cost	
				Amount	Per case
Chester	44,865.5	\$ 8,869.84	\$10,998.16	\$2,128.32	✓
Lewisburg	190,607	65,347.63	62,625.50	2,722.13	
	235,472.5	\$74,217.47	\$73,623.66	\$ 593.81	\$.0025

✓ Indicates credit.

The excess of freight collections by the Chester plant represents freight on smalls shipped from Lewisburg to Chester for account of customers. Freight cost on smalls was paid by Lewisburg but collected by Chester. The freight collected almost balanced out with the freight paid, so that the net freight cost on private label amounted to only \$.0025 per case.

Secondary Freight. - As stated in the respondent's cost report, secondary freight consisted of the freight costs incurred in shipping Borden brand evaporated milk from consignment warehouses to customers. These shipments generally included other Borden brand products and it was necessary to segregate the freight applicable to the evaporated milk. This was estimated on the basis of a sample of the freight bills paid. The method used appears reasonable and the average cost per case of \$.0112 has been accepted and applied to the Borden brand shipments from the Chester and Lewisburg plants.

Reserve Storage. - Borden brand evaporated milk was stored under refrigeration in so-called reserve warehouses, all of which were commercially operated with the exception of one at Elkland, Pa. and one at Macon, Miss. operated by the respondent. Shipments were made in carload lots from the producing plants to the warehouses and from the warehouses to customers or consignment warehouses. Private label evaporated milk was not stored in reserve warehouses, but was shipped directly to customers.

The warehouse charges were accumulated from the accounting records of the respondent. The expenses at Elkland were included together with the charges at Macon which were based on commercial rates. In addition, adjustment was made for the storage charges paid on the year's opening and closing inventories in reserve warehouses. The reserve storage expense averaged \$.0690 per case on the Borden brand, computed as follows:

Commercial warehouse charges	\$227,241.04
Expenses at Elkland	21,019.97
Charges at Macon	13,507.68
1956 Payments applicable to 1957 sales	71,551.34
1957 Payments applicable to 1958 sales	35,754.91 1/
Total reserve storage expense	<u>\$297,565.12</u>
Cost per case sold	<u>\$.0690</u>
1/ Denotes red figure.	

The quantity of Borden brand produced at the Chester and Lewisburg plants put through the reserve warehouses and the applicable expense could not be ascertained without examining voluminous detail. It is believed that the applicable charges would not vary materially from the national average expense per case claimed by respondent. Consequently, the average cost of reserve storage of \$.0690 per case has been accepted.

Consignment Storage. - Borden brand evaporated milk was stored in consignment warehouses in carload lots from the producing plants and reserve warehouses. The respondent's West Street warehouse was used in New York City. In all of these warehouses other Borden brand products were stored. These warehouses were used to fill less than carload orders of evaporated milk and other products.

The storage charges applicable to Borden brand evaporated milk were computed from the storage invoices submitted by the commercial warehouses. The expense of operating the West Street warehouse was allocated between evaporated milk and other products on the basis of commercial warehouse storage rates.

The total cost of consignment storage claimed by the respondent was as follows for the year 1957:

Payment to commercial warehouses	\$108,399.06
Applicable West Street warehouse costs	<u>23,375.33</u>
Total consignment storage expense	<u>\$131,774.39</u>
Cost per case sold	<u>\$.0305</u>

The Borden brand evaporated milk produced at the Chester and Lewisburg plants lost its identity when it was moved into the consignment warehouses. Consequently, the costs applicable to the milk from those two plants could not be ascertained. The average cost per case claimed by the respondent for consignment storage has been accepted.

Interest on Investment in Accounts Receivable and Inventory. - The respondent included in its cost study a claim for interest on investment in accounts receivable and inventories. The interest was computed at the rate of 8% per annum on the annual average amount of accounts receivable and the annual average amount of inventories in plants and warehouses. The interest on investment was computed on accounts receivable and inventories of Borden brand and private label evaporated milk, as explained in the respondent's cost study.

The inclusion of interest on investment in accounts receivable and inventory has not been accepted as an element of cost for the reason that it is considered to be a payment for the use of capital and not a cost of production and distribution. Any interest that a company may pay on borrowed money amounts to a reduction of the profit or return the stockholders would have received had they elected to borrow part of the capital requirements of the business. In other words, the fact that a company elects to borrow part of the funds, or to use some or all of the surplus, does not affect the cost of producing and selling its products.

Premium Label Redemption. - The label for the Borden brand evaporated milk contained a premium coupon which was redeemable for merchandise. The redemption of the premiums was handled by Premium Associates, Inc. which was 25% owned by the respondent and which, also, handled redemptions for coupons of other companies.

The redemption costs consisted of regular monthly payments based on the number of coupons redeemed and payments in connection with special offers. The respondent also allocated to this account the amount of the adjustment which was made at the end of the year to the reserve which was maintained to take into account payments which would be required in future years to redeem premium labels issued in 1957.

Premium labels were used on the respondent's brands of condensed milk so it was necessary to allocate the redemption cost between the two products which was done on the basis of the number of coupons issued during the year on the two products.

As the monthly payments were made only to cover the cost of the redemption expense of Premium Associates, Inc. applicable to the coupons of the respondent the total amount has been reduced by the 25% of the net income for the year accruing to the respondent. In addition, upon checking it was found that the redemption reserve had not been computed correctly. Consequently, the Premium Label Redemption cost claimed by the respondent of \$2316 per case has been reduced because of these two adjustments to \$.2247 per case, as follows:

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Regular monthly and special payments to Premium Associates, Inc.	\$945,507.60
Less Borden share of 1957 net income of Premium Associates, Inc. 25% of \$71,757	<u>17,939.00</u>
Net redemption cost	\$927,568.60
Plus addition to reserve for redemption	<u>65,195.13</u>
Total Premium Redemption Cost	<u>\$992,763.73</u>
Cost allocated to Evaporated Milk (97.43%)	<u>\$967,291.40</u>
Cost per case sold	<u>\$.2247</u>

Advertising. - The respondent claims that all advertising expenditures were on Borden brand products and that none of the expense was applicable to private label evaporated milk. The total advertising cost for 1957 was \$7,151,602 for Borden brand products. In addition, the respondent paid \$297,519.42 in direct charges to Borden brand evaporated milk and \$7,017.79 was allocated from the advertising department expenses based on the estimated work load.

The respondent included the budgeted advertising expense assigned to evaporated milk and a portion of the advertising not assigned to products based upon the percentage of Borden brand evaporated milk of total sales of Borden brand products, as follows:

Respondent's Claim:

Budgeted advertising assigned to evaporated milk	\$118,880.00
Allocation of advertising based on sales (2.926%)	115,855.91
Direct charges to evaporated milk	297,519.42
Allocation of Advertising Department expense	<u>7,017.79</u>
Total	<u>\$539,273.12</u>
Cost per case sold	<u>\$.1250</u>

The advertising budget for evaporated milk was based on 2¢ per case on sales of all evaporated milk for the prior year. Since this budget amount was arbitrary the non-direct advertising expense was allocated entirely on the basis of sales dollars. In addition, direct advertising charges included "Red Scissors" advertising in connection with the premium redemption program which involved both evaporated and condensed milk. Consequently, the portion applicable to condensed milk has been deducted. The amount of advertising expense applicable to Borden brand evaporated milk has been recomputed, as follows:

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Direct advertising charges to evaporated milk	\$297,519.42
Less: "Red Scissors" advertising applicable to condensed milk	<u>1,408.41</u>
	\$296,111.01
Allocation of Advertising Department expense	7,017.79
Allocation of total advertising of Borden Brand based on sales (2.926% of \$7,151,602)	<u>209,255.87</u>
Total	<u>\$512,384.67</u>

Cost per case sold \$.1188

Sales Expenses. - The respondent claimed that its sales force was used solely to sell and to promote the sales of Borden brand products and that none of the sales personnel, with two minor exceptions, were used to sell or promote the sale of private label evaporated milk.

The records of the respondent show that field selling expenses amounting to \$167,174.92 were charged directly to evaporated milk. The remaining unapplied field selling expenses amounted to \$2,404,158.40 and the general sales office expenses amounted to \$317,064.00, or a total of \$2,721,222.40 of unallocated selling expenses. This amount was allocated between Borden Brand evaporated milk and other products on the basis of sales dollars (44.0206%) which resulted in a total selling expense allocated to Borden brand evaporated milk of \$1,364,644.17. The selling cost per case sold was \$.3163.

The cost study presented by the respondent showed that selling expenses incurred in the New York and San Francisco sales offices in the total amount of \$974.95 had been allocated to private label evaporated milk on the basis of an estimate of their selling activities. Examination of correspondence of the sales manager of the San Francisco branch indicates that considerably more of his salary and expenses should be charged to private label milk.

As previously stated the joint product selling expenses were allocated by the respondent between evaporated milk and other products on the basis of the respective sales of the Borden brand products. On that basis 44.0206% of joint selling expenses were allocated to evaporated milk. A computation of the relative gross profit of the evaporated milk sales compared with the sales of other Borden brand products has been made and shows that the evaporated milk sales produced 40.10% of the gross profit of the Borden Food Products Division. On the basis that the gross margin is more indicative of the relative selling effort, the joint selling expenses have been allocated on that basis, resulting in a combined direct and allocated selling cost of \$1,257,994.15, or \$.2916 per case sold.

One of the principal activities of the respondent's field salesmen is the arranging of product displays on the customer's premises. A summary of all displays during the year 1957 by the field salesmen shows that 41.0% of such displays were of evaporated milk, although displays were arranged for five other Borden brand products also. While the Borden field salesmen arrange more displays on evaporated milk than any other product, the proportion appears to be in line with the gross margin of 40.10%. However, in this connection it should be noted that many chain stores which sell Borden products will not allow the respondent's salesmen to set up displays. For that reason, the number of displays cannot be used as the measuring factor of salesmen activities and as the basis for allocating selling expenses.

Brokers' Commissions. - As stated in the respondent's cost report, "brokers performed the function of selling the Division's (Borden Food Products Division) advertised products to wholesalers and chains in those areas where the Division did not have its own jobbing salesmen." The brokers were paid a commission of 5¢ per case on Borden brand evaporated milk. The total brokerage paid in 1957 amounted to \$170,151.48 as shown by the respondent's records. This represented an average of \$.0394 per case of Borden brand evaporated milk sold in that year.

In addition, the respondent paid brokers at the rate of 2½¢ per case on some sales of private label. The respondent has never paid this brokerage on the Cherub brand sold to Safeway. The respondent claims that the brokers do not handle the private label sales, and that this brokerage constitutes, in effect, an additional brokerage on Borden brand. However, as the brokerage is not paid on all private label milk sales and because the amount of the brokerage varied directly with the sales of private label the brokerage is considered here as an additional cost applicable to private label. During 1957 the brokerage on private label amounted to \$13,879.31, or \$.0126 per case.

Promotion Department Expenses. - Mr. A. J. Berry is the respondent's product manager for evaporated milk, both Borden brand and private label. The promotion department expenses include the salaries and expenses of Mr. Berry and his staff and these were allocated by the respondent in its cost study between Borden brand and private label on the basis of the number of cases sold. Included in this allocation were the payments at the rate of 1/2¢ per case to the Evaporated Milk Association.

In addition, certain salaries and expenses in connection with the medical and hospital promotional activities and relating to conventions were charged entirely to Borden brand.

These expenses for 1957 were allocated as follows:

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IN CAMERA

	Borden Brand	Private Label
A. J. Berry and staff salaries and expenses	\$ 32,735.75	\$ 8,381.94
Evaporated Milk Association	20,422.70	5,229.19
Medical promotional salaries & expenses	15,252.15	
Conventions and other expenses	13,336.40	
Total expenses	\$ 81,747.00	\$ 13,611.13
Cost per case sold	\$.0189	\$.0123

Clerical Expenses. - The respondent included in the cost study the clerical expenses of certain service departments located in New York City from which the field production and sales activities were controlled and coordinated. Only the clerical expenses of those departments were included which would show a cost difference between Borden brand and private label evaporated milk.

As the functions of the service departments also related to other products, the respondent regularly prepared analyses, for budget purposes, of the time and effort to arrive at a percentage allocation to each division, including the Food Products Division. These allocations were based upon the estimated time and effort of each employee.

Basically the same percentages were used to allocate clerical expenses of the several departments to Borden brand evaporated milk and to private label. These percentages and allocations were checked with the underlying records. The allocations of clerical expenses of the several departments to Borden brand and to private label evaporated milk are shown by the following tabulation:

IN CASE

Department	Borden Brand	Private Label
Payroll	\$ 3,172.08	\$ -
Tabulating	18,084.20	912.00
Credit	12,938.85	725.19
Cashier	6,166.64	83.66
Cost	1,848.01	3,962.74
Stock sales and commission	2,987.98	50.03
Sales service	10,468.68	1,108.06
Traffic	9,314.53	
Totals	\$ 64,980.97	\$ 6,841.68
Cost per case sold	\$.0151	\$.0062

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RESPONDENT'S EXHIBIT No. 7



DIRECTIONS

By adding one part of water to one part of the contents of this can a resulting milk product will be obtained which will not be below the legal standard for whole milk. The vitamin D content of Miss Virginia Brand Evaporated Milk has been increased by adding not less than 25 U. S. P. units of vitamin D in the form of activated ergosterol per fluid ounce. This will provide the equivalent of not less than 400 U. S. P. units per quart when mixed with an equal volume of water.


Consult Your Physician
About Feeding Formula
For Your Child

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RESPONDENT'S EXHIBIT No. 9
BORDEN SILVER COW LABELS

TALL 14-1/2 OZ. CAN

Borden's
SILVER COW



SAVE COUPON

EVAPORATED MILK
HOMOGENIZED-VITAMIN D INCREASED

BORDEN RED SCISSORS Coupon



SAVE FOR VALUABLE PREMIUMS

800 PREMIUMS—Visit local Red Scissors Premium Store or send postcard to Red Scissors Coupon Plan, 16 Essex St., Newark 2, N. J., for catalog.

GET PREMIUMS FASTER—Redeem Borden coupons with coupons from LUZIANNE COFFEE & TEA, MRS. FILBERT'S MARGARINE & SALAD PRODUCTS, JOAN OF ARC & PRIDE OF ILLINOIS CANNED VEGETABLES, LIMIT LIQUID STARCH • OCTAGON SOAP & DETERGENTS

Northern States Only
LA ROSA MACARONI PRODUCTS • KIRKMAN SOAP PRODUCTS


Southern States Only
CALUMET BAKING POWDER • JET DUG & CAT FOOD
BONUS DOG FOOD • SKINNER MACARONI PRODUCTS
ARTEX CANNED MEATS

Redeem. No only by consumer to whom originally issued in continental U.S.A. and Alaska. Offer valid in states prohibiting, regulating or taxing premium offers. Cash value 2 mills. This offer expires May 31, 1964.

BORDEN SWISS RABBIT
RECIPE (Makes 6 to 8 servings)

1 (8 oz.) package Borden's Process Swiss Cheese, shredded • 1 (8 oz.) package Borden's (Sharp) Process Cheese, shredded • 1 cup Borden's Evaporated Milk • 1/2 teaspoon whole oregano, crumbled

Place cheese and evaporated milk in top of double boiler; cook over hot water, stirring occasionally, until cheese melts and mixture is well blended, about 20 minutes. Add oregano. Serve on buttered toast or crackers.



EXCELLENT FOR BABY FEEDING AND ALL MILK USES


Borden's Evaporated Milk is made from fresh whole milk by removing about half the water and adding Vitamin D. It is unsweetened. By adding one part of water to one part of the contents of this can, a resulting milk product will be obtained which will not be below the legal standard for whole milk. For use whenever you need milk and for feeding your baby, there is no better, more nourishing evaporated milk than Borden's. The Vitamin D content of Borden's Evaporated Milk is increased by adding 25 U.S.P. units of Vitamin D₂ per fluid ounce. Each reconstituted quart (half Borden's, half water) provides 400 U.S.P. units of Vitamin D, the minimum daily requirement for infant, child or adult. Your doctor knows Borden's. Ask him to prescribe a Borden formula for your baby.

THE BORDEN COMPANY, NEW YORK 17, N. Y.

NET WT. 14 1/2 OZS. ©1957 THE BORDEN COMPANY LIQ. MEAS. 13 OZS.

SMALL 6 OZ. CAN

Borden's
SILVER COW



SAVE COUPON

EVAPORATED MILK
HOMOGENIZED-VITAMIN D INCREASED

BORDEN RED SCISSORS Coupon



SAVE FOR VALUABLE PREMIUMS

800 PREMIUMS—Visit local Red Scissors Premium Store or send postcard to Red Scissors Coupon Plan, 16 Essex St., Newark 2, N. J., for catalog.

GET PREMIUMS FASTER—Redeem Borden coupons with coupons from LUZIANNE COFFEE & TEA • MRS. FILBERT'S MARGARINE & SALAD PRODUCTS • JOAN OF ARC & PRIDE OF ILLINOIS CANNED VEGETABLES • LIMIT LIQUID STARCH • OCTAGON SOAP & DETERGENTS

Northern States Only
LA ROSA MACARONI PRODUCTS • KIRKMAN SOAP PRODUCTS


Southern States Only
CALUMET BAKING POWDER • JET DUG & CAT FOOD
BONUS DOG FOOD • SKINNER MACARONI PRODUCTS
ARTEX CANNED MEATS

Redeem. No only by consumer to whom originally issued in continental U.S.A. and Alaska. Offer valid in states prohibiting, regulating or taxing premium offers. Cash value 2 mills. This offer expires May 31, 1964.

BORDEN CELERY AND PEA SAUCE (Makes 2 1/2 cups)
RECIPE

1/4 cup Borden's Evaporated Milk • 1/4 cup water • 1 (10 1/2 oz.) can condensed cream of celery soup • 1 cup cooked peas

Blend together evaporated milk, water and soup in small saucepan; add peas. Cook until piping hot.



EXCELLENT FOR BABY FEEDING AND ALL MILK USES

Borden's Evaporated Milk is made from fresh whole milk by removing about half the water and adding Vitamin D. It is unsweetened. By adding one part of water to one part of the contents of this can, a resulting milk product will be obtained which will not be below the legal standard for whole milk. For use whenever you need milk and for feeding your baby, there is no better, more nourishing evaporated milk than Borden's. The Vitamin D content of Borden's Evaporated Milk is increased by adding 25 U.S.P. units of Vitamin D₂ per fluid ounce. Each reconstituted quart (half Borden's, half water) provides 400 U.S.P. units of Vitamin D, the minimum daily requirement for infant, child or adult. Your doctor knows Borden's. Ask him to prescribe a Borden formula for your baby.

THE BORDEN COMPANY, NEW YORK 17, N. Y.

NET WT. 6 OZS. ©1957 THE BORDEN COMPANY LIQ. MEAS. 5 1/2 OZS.

RESPONDENT'S EXHIBIT No. 10

BORDEN GOLDEN COW LABELS

TALL 14-1/2 OZ. CAN

Borden's



EVAPORATED MILK

HOMOGENIZED-VITAMIN D INCREASED

BORDEN **RED SCISSORS COUPON**

SAVE FOR VALUABLE PREMIUMS



800 PREMIUMS—This brand Red Scissors Premium Store or send postpaid to Red Scissors Coupon Plan, 830 Mission Street, San Francisco 3, Calif. for catalog.

GET PREMIUMS FASTER—Borden's Evaporated Milk coupons with coupons from AUSTEX CANNED MEATS • DR. ROSS DOG & CAT FOODS • JOAN OF ARC CANNED VEGETABLES • CALUMET BAKING POWDER (Tampa, New Mexico, Arizona only) • LUZIANNE COFFEE (Calif. only) • SKINNER MACARONI PRODUCTS (Tampa, New Mexico)

Redeemable only by consumer to whom originally issued in continental U.S.A. and Alaska. Offer valid in states prohibiting, regulating or taxing premium offers. Cash value 2 cts. This offer expires May 31, 1964.

VOID IN THE STATE OF WASHINGTON

BORDEN **RED SCISSORS COUPON**

TUNA TOMATO BISQUE
(Makes 4 servings)

1 (10 1/2 oz.) can condensed tomato soup • 1 (14 1/2 oz.) can Borden's Evaporated Milk • 1 (7 oz.) can flaked tuna well-drained • 2 tablespoons grated onion

Combine soup and evaporated milk in top of boiler; add tuna fish and onion. Cook over hot water thoroughly heated, about 10 minutes.

EXCELLENT FOR BABY FEEDING AND ALL MILK USES


Borden's Evaporated Milk is made from fresh whole milk by removing about half the water and adding Vitamin D. By adding one part of water to one part of this can, a resulting milk product will be obtained which will be the legal standard for whole milk. For use whenever you need feeding your baby, there is no better, more nourishing evaporated milk than Borden's. The Vitamin D content of Borden's Evaporated Milk is increased by adding units of Vitamin D, per fluid ounce. Each reconstituted quart (half Borden's) provides 400 U.S.P. units of Vitamin D, the minimum daily requirement for an adult. Your doctor knows Borden's. Ask him to prescribe a Borden formula.

THE BORDEN COMPANY, NEW YORK 17, N. Y.

NET WT. 14 1/2 OZ. ©1957 THE BORDEN COMPANY U.S. REG.

SMALL 6 OZ. CAN

Borden's



EVAPORATED MILK

HOMOGENIZED-VITAMIN D INCREASED

BORDEN **RED SCISSORS COUPON**

SAVE FOR VALUABLE PREMIUMS



800 PREMIUMS—This brand Red Scissors Premium Store or send postpaid to Red Scissors Coupon Plan, 830 Mission St., San Francisco 3, Calif. for catalog.

GET PREMIUMS FASTER—Borden's Evaporated Milk coupons with coupons from AUSTEX CANNED MEATS • DR. ROSS DOG & CAT FOODS • JOAN OF ARC CANNED VEGETABLES • CALUMET BAKING POWDER (Tampa, New Mexico, Arizona only) • LUZIANNE COFFEE (Calif. only) • SKINNER MACARONI PRODUCTS (Tampa, New Mexico)

Redeemable only by consumer to whom originally issued in continental U.S.A. and Alaska. Offer valid in states prohibiting, regulating or taxing premium offers. Cash value 2 cts. This offer expires May 31, 1964.

VOID IN THE STATE OF WASHINGTON

BORDEN **RED SCISSORS COUPON**

CREAMY SAUCE (Makes 1 1/2 cups)

2 tablespoons butter • 2 tablespoons flour • dash of salt • dash of dry mustard • 1 cup Borden's Evaporated Milk • 1/4 cup water • 1/4 teaspoon Worcestershire sauce

Melt butter in small saucepan over low heat; remove from heat. Blend in flour, salt and mustard. Combine evaporated milk and water; gradually stir in flour mixture. Cook over low heat, stirring constantly, until thickened. Add Worcestershire sauce.

EXCELLENT FOR BABY FEEDING AND ALL MILK USES

Borden's Evaporated Milk is made from fresh whole milk by removing about half the water and adding Vitamin D. It is unsweetened. By adding one part of water to one part of this can, a resulting milk product will be obtained which will be the legal standard for whole milk. For use whenever you need milk and for feeding your baby, there is no better, more nourishing evaporated milk than Borden's. The Vitamin D content of Borden's Evaporated Milk is increased by adding 25 U.S.P. units of Vitamin D, per fluid ounce. Each reconstituted quart (half Borden's) provides 400 U.S.P. units of Vitamin D, the minimum daily requirement for an adult. Your doctor knows Borden's. Ask him to prescribe a Borden formula for your baby.

THE BORDEN COMPANY, NEW YORK 17, N. Y.

NET WT. 6 OZ. ©1957 THE BORDEN COMPANY U.S. REG.

RESPONDENT'S EXHIBIT No. 11

BORDEN SILVER COW - PEARL BRAND LABELS

TALL 14-1/2 OZ. CAN

Borden's
SILVER COW-PEARL BRAND



EVAPORATED MILK
HOMOGENIZED-VITAMIN D INCREASED

BORDEN'S **RED SCISSORS** Coupon



SAVE FOR VALUABLE PREMIUMS

GET PREMIUMS FASTER—Visit local Red Scissors Premium Store or send postcard to Red Scissors Coupon Plan, 16 Essex St., Newark 2, N. J., for catalog.

GET PREMIUMS FASTER—Redeem Borden coupons with coupons from LIZARDIE COFFEE & TEA, MRS. FILBERT'S MARGARINE & SALAD PRODUCTS, JOAN OF ARC & PRIDE OF ILLINOIS CANNED VEGETABLES, LINT LIQUID STARCH • OCTAGON SOAP & DETERGENTS

Merchandise Stores Only
LA ROSA MACARONI PRODUCTS • KIRKMAN SOAP PRODUCTS

Southern States Only
CALUMET BAKING POWDER • JET DOG & CAT FOOD, BOWNS DOG FOOD • SKINNER MACARONI PRODUCTS, AMSTEX CANNED MEATS


Redeemable only by consumer to whom originally issued in continental U.S.A. and Alaska. Offer void in other territories, including overseas premium offices. Cash value 2 cts. This offer expires May 31, 1964.

BORDEN'S **RED SCISSORS** Coupon

BORDEN'S **CREAMY HASHED POTATOES**
(Makes 4 to 6 servings)

1 tablespoon butter • 1 tablespoon chopped onion • 1 teaspoon salt • 1/4 teaspoon pepper • 4 cups diced, cooked potatoes • 1/2 cup Borden's Evaporated Milk

Melt butter in skillet; add onion; sauté until golden brown. Stir in seasonings; add potatoes and evaporated milk. Cook only until milk is heated.



EXCELLENT FOR BABY FEEDING AND ALL MILK USES

Borden's Evaporated Milk is made from fresh whole milk by removing about half the water and adding Vitamin D. It is unsweetened. By adding one part of water to one part of the contents of this can, a resulting milk product will be obtained which will not be below the legal standard for whole milk. For use whenever you need milk and for feeding your baby, there is no better, more nourishing evaporated milk than Borden's. The Vitamin D content of Borden's Evaporated Milk is increased by adding 25 U.S.P. units of Vitamin D, per fluid ounce. Each reconstituted quart (half Borden's, half water) provides 400 U.S.P. units of Vitamin D, the minimum daily requirement for infant, child or adult. Your doctor knows Borden's. Ask him to prescribe a Borden formula for your baby.

THE BORDEN COMPANY, NEW YORK 17, N. Y.

NET WT. 14 1/2 OZS. ©1957 THE BORDEN COMPANY LQJ. MEAS. 13 OZS.


SMALL 6 OZ. CAN

Borden's
SILVER COW-PEARL BRAND



EVAPORATED MILK
HOMOGENIZED-VITAMIN D INCREASED

BORDEN'S **RED SCISSORS** Coupon



SAVE FOR VALUABLE PREMIUMS

GET PREMIUMS FASTER—Visit local Red Scissors Premium Store or send postcard to Red Scissors Coupon Plan, 16 Essex St., Newark 2, N. J., for catalog.

GET PREMIUMS FASTER—Redeem Borden coupons with coupons from LIZARDIE COFFEE & TEA, MRS. FILBERT'S MARGARINE & SALAD PRODUCTS, JOAN OF ARC & PRIDE OF ILLINOIS CANNED VEGETABLES, LINT LIQUID STARCH • OCTAGON SOAP & DETERGENTS

Merchandise Stores Only
LA ROSA MACARONI PRODUCTS • KIRKMAN SOAP PRODUCTS

Southern States Only
CALUMET BAKING POWDER • JET DOG & CAT FOOD, BOWNS DOG FOOD • SKINNER MACARONI PRODUCTS, AMSTEX CANNED MEATS

Redeemable only by consumer to whom originally issued in continental U.S.A. and Alaska. Offer void in other territories, including overseas premium offices. Cash value 2 cts. This offer expires May 31, 1964.

BORDEN'S **RED SCISSORS** Coupon

BORDEN'S **CREAMY SAUCE** (Makes 1 1/2 cups)

2 tablespoons butter • 2 tablespoons flour • dash of salt • dash of dry mustard • 1 cup Borden's Evaporated Milk • 1/2 cup water • 1/4 teaspoon Worcestershire sauce

Melt butter in small saucepan over low heat; remove from heat. Blend in flour, salt and mustard. Cook one minute. Add water and milk; gradually stir in Borden's sauce. Cook over low heat, stirring constantly, until thickened. Add Worcestershire sauce.

EXCELLENT FOR BABY FEEDING AND ALL MILK USES

Borden's Evaporated Milk is made from fresh whole milk by removing about half the water and adding Vitamin D. It is unsweetened. By adding one part of water to one part of the contents of this can, a resulting milk product will be obtained which will not be below the legal standard for whole milk. For use whenever you need milk and for feeding your baby, there is no better, more nourishing evaporated milk than Borden's. The Vitamin D content of Borden's Evaporated Milk is increased by adding 25 U.S.P. units of Vitamin D, per fluid ounce. Each reconstituted quart (half Borden's, half water) provides 400 U.S.P. units of Vitamin D, the minimum daily requirement for infant, child or adult. Your doctor knows Borden's. Ask him to prescribe a Borden formula for your baby.

THE BORDEN COMPANY, NEW YORK 17, N. Y.

NET WT. 6 OZS. ©1957 THE BORDEN COMPANY LQJ. MEAS. 5 1/2 OZS.

SAFEMAY CHERUB LABELS

TALL 14-1/2 OZ. CAN

Cherub.



EVAPORATED MILK

HOMOGENIZED • VITAMIN D INCREASED

NET WEIGHT
14 1/2 OZ.
EQUIV. 13 OZ.
LIQUID

DISTRIBUTED BY
HANFORD MILK CO.
Head Office:
Oakland, Calif.

Cherub.

EVAPORATED MILK

○ **CHERUB MILK** is unsweetened selected whole cow's milk with at least half the water evaporated. Quality and richness are rigidly controlled (not less than 7.9% butterfat and 25.9% total solids) - approximately twice as rich as ordinary milk.

○ **VITAMIN D** - The Vitamin D content of Cherub Milk has been increased by the addition of 25 U.S.P. units of Vitamin D₂ per fluid ounce. This will provide not less than 400 U.S.P. units per quart when equal volumes of Cherub Milk and water are mixed.

○ **INFANT FEEDING** - Cherub Milk is excellent for infant feeding. It can often be accepted by infants allergic to ordinary milk. Babies supplied additional Vitamin D and Iron from other sources should be done with any of milk. Ask your physician for proper formula for your baby.

○ **COOKING, ETC.** - Cherub Milk is ideal for cooking. Use undiluted in soups, ice cream, cocoa, coffee, or over cereal. In recipes add richness to suit recipe.

○ **FOR DRINKING** - Mix equal parts of Cherub Milk and water or vary to suit taste.

SMALL 6 OZ. CAN

Cherub.



EVAPORATED MILK

HOMOGENIZED • VITAMIN D INCREASED

NET WEIGHT 6 OZ.
EQUIV. 5 1/2 OZ. LIQUID



Distributed by
SAFEMAY STORES, INC.
Head Office:
Oakland, Calif.

Cherub.

EVAPORATED MILK

○ **CHERUB MILK** is unsweetened selected whole cow's milk with at least half the water evaporated. Quality and richness are rigidly controlled (not less than 7.9% butterfat and 25.9% total solids) - approximately twice as rich as ordinary milk.

○ **VITAMIN D** - The Vitamin D content of Cherub Milk has been increased by the addition of 25 U.S.P. units of Vitamin D₂ per fluid ounce. This will provide not less than 400 U.S.P. units per quart when equal volumes of Cherub Milk and water are mixed.

○ **EXCELLENT FOR INFANT FEEDING** ○ **FOR COOKING** ○ **FOR DRINKING**

P-56

B-2-M-A-8 1/4

RESPONDENT'S EXHIBIT No. 13

TOPCO FOOD CLUB LABELS

TALL 14-1/2 OZ. CAN

Vitamin "D" increased
EVAPORATED
MILK

Food Club

HOMOGENIZED

NET WEIGHT 14 1/2 OZ.
EQUIV. 13 OZ. LIQUID

Distributed by



U.S.A.

TOPCO

EVAPORATED MILK

QUALITY FOOD CLUB MILK

Food Club Evaporated Milk is produced in carefully selected plants located in the finest dairy producing areas. Protected herds and the latest scientific processing techniques guarantee you a quality product.

HOMOGENIZED VITAMIN "D" ADDED

Vitamin D content has been increased by the addition of pure crystalline Vitamin D₂ (25 USP units per fluid ounce or 400 USP units per quart when mixed with an equal amount of water.)

UNSWEETENED

FOR COOKING

For better flavor and finer cooking, Food Club Evaporated Milk is homogenized. By adding one part of water to one part of the contents of this can a resulting milk product will be obtained which will not be below the legal standard for whole milk.

FOR BABIES

Food Club is an excellent source of Vitamin "D" for adults, children and infants. Consult your physician for proper formula. Use Food Club for your baby—it's nutritious and pleasant tasting.

Food Club

MILK FOR BABIES

Quality Control

MAINTAINED BY CONSTANT LABORATORY INSPECTION

FC-04011A

SMALL 6 OZ. CAN

Vitamin "D" increased
EVAPORATED
MILK

Food Club

HOMOGENIZED

NET WEIGHT 6 OZ.
EQUIV. 5 1/2 OZ. LIQUID

Distributed by



U.S.A.

TOPCO

EVAPORATED MILK

QUALITY FOOD CLUB MILK

Food Club Evaporated Milk is produced in carefully selected plants located in the finest dairy producing areas. Protected herds and the latest scientific processing techniques guarantee you a quality product.

HOMOGENIZED VITAMIN "D" ADDED

Vitamin D content has been increased by the addition of pure crystalline Vitamin D₂ (25 USP units per fluid ounce or 400 USP units per quart when mixed with an equal amount of water.)

UNSWEETENED

FOR COOKING

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FOR BABIES

Food Club is an excellent source of Vitamin "D" for adults, children and infants. Consult your physician for proper formula. Use Food Club for your baby—it's nutritious and pleasant tasting.

Food Club

MILK FOR BABIES

Quality Control

FC-0400-A

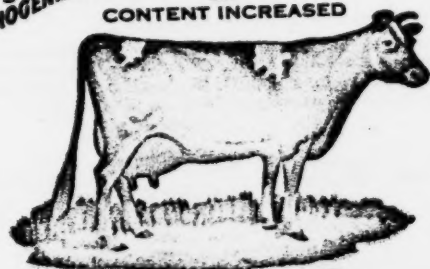
RESPONDENT'S EXHIBIT No. 14

CROG SHURFINE LABEL

TALL 14-1/2 OZ. CAN

Rep 14 at
12/8/59
(Pam)

IT'S
HOMOGENIZED! VITAMIN
D
CONTENT INCREASED



Shurfine

EVAPORATED MILK

NET WEIGHT 14½ OZS.
EQUIV. 13 OZS. LIQUID

This Milk with Vitamin D content increased, is suitable for use in infant formula and child feeding. Consult your Doctor for feeding instructions.

The vitamin D content of Evaporated Milk has been increased by the addition of 25 U.S.P. units of vitamin D per fluid ounce in the form of activated ergosterol. This will produce the equivalent of 400 units per quart when mixed with an equal amount of water.

When this Milk is consumed in the customary amounts, such addition aids in the prevention of Rickets in normal infants, and in the development of sound bones and teeth.

SHURFINE MILK is delicious in coffee, whips easily when chilled, excellent for baking and cooking, and superior for making rich creamy sauces, gravies, soups, icings, etc. In coffee or for whipping, use full strength.

By adding one part of water to one part of the contents of this can a resulting milk product will be obtained which will not be below the legal standard for (whole) milk.

COPYRIGHT 1944



NATIONAL RETAILER-OWNED GROCERS, INC.
DISTRIBUTORS GENERAL OFFICES CHICAGO, ILL.

IT'S
HOMOGENIZED! VITAMIN
D
CONTENT INCREASED



Shurfine

EVAPORATED MILK

NET WEIGHT 14½ OZS.
EQUIV. 13 OZS. LIQUID

NATIONAL RETAILER-OWNED GROCERS, INC.
DISTRIBUTORS

NATIONAL LABOR RELATIONS BOARD

Docket No. _____ OFFICIAL EXHIBIT NO. _____

Disposition

Identified

Received

Rejected

In the Matter of _____

Date _____ Witness _____ Reporter _____

No. Pages _____

FEDERAL TRADE COMMISSION

DOCKET NO. 7179 COMMISSION EXHIBIT NO. 14

IN THE MATTER OF _____

DATE 12/8/59 WITNESS _____

ACE REPORTING CO., Official Reporter

By _____

Shurfine

8139

RESPONDENT'S EXHIBIT No. 15

COMMUNITY CASH SUNNY DAY LABELTALL 14-1/2 OZ. CAN**SUNNY DAY**
**EVAPORATED
MILK**
 HOMOGENIZED VITAMIN D INCREASED

 CONTENTS 14½ OZ. AVOIR.
 LIQUID MEAS. 13 OZ.

The Vitamin D content of Sunny Day Evaporated Milk is increased by adding 25 U.S.P. units of Vitamin D₃ per fluid ounce. This provides 400 U.S.P. units of Vitamin D (the minimum daily requirement for infant, child or adult) per reconstituted quart when equal volumes of this milk and water are mixed. By adding one part of water to one part of the contents of this can, a resulting milk product will be obtained which will not be below the legal standard for whole milk.

 PACKED FOR
 COMMUNITY CASH
 STORES
 SPARTANBURG, S. C.

**SUNNY DAY
EVAPORATED
MILK**

HOMOGENIZED · VITAMIN D INCREASED

Sunny Day Evaporated Milk is made from fine quality, fresh cows' milk under the most rigid sanitary conditions. There is no safer, more uniform, more economical form of milk.

DIRECTIONS

FOR INFANT FEEDING—Sunny Day Evaporated Milk is excellent for babies. Consult your physician for proper formula for your baby.

When your healthy, strong baby has outgrown bottle feedings, keep right on using thrifty Sunny Day Evaporated Milk for cup feedings, on cereals and fruit and in all cooking where the recipe calls for milk.

FOR COOKING AND BAKING—For use whenever you need milk, simply mix Sunny Day Evaporated Milk with an equal amount of water and use as you would fresh, whole milk. By using less water, you can increase the creaminess and smoothness of your cooking.

FOR COFFEE AND BEVERAGES—To bring out the flavor of your favorite coffee or other beverage, pour in creamy Sunny Day Evaporated Milk just as it comes from the can. Also, many people use it full strength in place of cream on cereals and fruit.

NATIONAL LABOR RELATIONS BOARD

No. _____ OFFICIAL EXHIBIT NO. _____

Disposition

Identified _____

Recorded _____

Excluded _____

Attorney for _____

Witness _____

Reporter _____

FEDERAL TRADE COMMISSION

DOCKET NO. 7129 COMMISSION EXHIBIT NO. 15

IN THE MATTER OF _____

DATE 12/1/64 WITNESS _____

ACE REPORTING CO., Official Reporter

By _____

125

8140

LOCATION OF PLANTS PACKING EVAPORATED MILK
(Case goods only)

Evaporated Milk Association
February 1, 1956

Plants which concentrate milk for shipment to canning plants for reprocessing are designated by "C" - Receiving stations are designated by "R".

ALABAMA

Carnation Co.
Dadeville - C
Decatur - R

ARKANSAS

Carnation Co.
Harrison - R
Rogers - R

Pet Milk Co.
Huntsville - R
Paris - R
Siloam Springs

CALIFORNIA

Borden Co.
Modesto

Carnation Co.
Anderson - R
Chico - C
Dos Palos - R
Gustine
Maxwell - R
Stockton - R
Turlock - R

Danish Creamery Association
Chowchilla

CALIFORNIA - (Cont'd)

Golden State Co., Ltd.
(Foremost Dairies, Inc.)
Newman

Lucerne Milk Co.
Hanford

Meyenberg Milk Products Co.
Ripon

Nestle Co.
Ripon

Sego Milk Products Co.
(Pet Milk Co.)

Galt
Orland
Salinas

COLORADO

Colorado Condensed Milk Co.
(Carnation Co.)
Johnstown

GEORGIA

Borden Co.
Royston - R

FEDERAL TRADE COMMISSION

ACCOUNT NO. 712, 4 COMMISSION
RESPONDENT EXHIBIT NO. 16-1

Carnation Co.
Nampa

Sego Milk Products Co.
(Pet Milk Co.)

Buhl
Burley - R
Downey - R
Preston - R
St. Charles - R

ILLINOIS

Amboy Milk Products Co.
Amboy

Borden Co.
Dixon
Sterling - R

Carnation Co.
Morrison
Oregon

Dean Milk Co.
Pecatonica

Edwardsville Creamery Co.
Edwardsville

Litchfield Creamery Co.
Litchfield

Nashville Milk Co.
Nashville

Pet Milk Co.
Carlyle - R
Greenville
Nokomis - R

INDIANA

Kroger Co.
Marion

Litchfield Creamery Co.
Warsaw

Pet Milk Co.
Angola - R
Garrett - R

IOWA

Carnation Co.
Castalia - R
Hazleton - R
Waverly

Fort Dodge Creamery Co.
Fort Dodge

KANSAS

Borden Co.
Fort Scott

Carnation Co.
Girard - R

Page Milk Co.
Coffeyville

Pet Milk Co.
Iola

KENTUCKY

Borden Co.
Hopkinsville - R
Fredonia - R

Carnation Co.
Campbellsville - C
Danville - R
Glasgow - R
Maysville
Mt. Sterling - R
Somerset - R

RESPONDENT'S EXHIBIT No. 16-3

KENTUCKY - (Cont'd)

Pet Milk Co.
Bowling Green
Franklin - R
Mayfield

MARYLAND

Carnation Co.
Oakland - R

Pet Milk Co.
Greensboro

MICHIGAN

Borden Co.
Merrill - R
Mt. Pleasant - C
Perrinton

Carnation Co.
Barryton - R
Hesperia - R
Jamestown - R
Sheridan
Sparta

Nestle Co.
Ubyly

Pet Milk Co.
Charlotte - R
Homer - R
Hudson

White House Milk Co.
Stephenson - C

MINNESOTA

Northfield Milk Products Co.
(Carnation Co.)

MISSISSIPPI

Borden Co.
Starkville - C

Carnation Co.
Baldwyn - R
Tupelo

Pet Milk Co.
Kosciusko
Philadelphia - R
Winona - R

MISSOURI

Borden Co.
Jasper - R.

Carnation Co.
Ava - C
El Dorado Springs - R
Mount Vernon
Neosho - R
Seymour - R

Pet Milk Co.
Carthage - R
Cassville - R
Neosho

Producers Creamery Co.
Cabool

NEW YORK

Mohawk Milk Products Co.
(Carnation Co.)
South Dayton

NORTH CAROLINA

Carnation Co.
Albemarle - R

RESPONDENT'S EXHIBIT No. 16-4

Carnation Co.
 Bellville - R
 Coshocton
 Hillsboro - R
 Mohicanville - R
 Rushville - R

Defiance Milk Products Co.
 Defiance
 Montpelier - R

Nestle Co.
 Crestline - R
 Greenville
 Marysville - C

Pet Milk Co.
 Bryan
 Coldwater
 Delta
 Fremont - R
 Holgate - R

United Dairy Co.
 Athens - R
 Barnesville
 Lodi
 Waterford

Westerville Creamery Co.
 Belle Center - R
 Covington

Borden Co.
 Elkland - R
 Wellsboro

Carnation Co.
 Cambridge Springs
 Corry - R

SOUTH CAROLINA

Borden Co.
 Anderson - R
 Chester
 Newberry - R

TENNESSEE

Borden Co.
 Columbia - R.
 Lewisburg

Carnation Co.
 Bell Buckle - R
 Manchester - R
 Murfreesboro
 Sparta - R
 Watertown - R

Pet Milk Co.
 Athens - R
 Greeneville
 Jonesboro - R
 Martin - R
 Morristown - R
 Newport - R
 Paris - R
 Springfield - R
 Surgoinsville - R
 Trenton - R

TEXAS

Carnation Co.
 Sulphur Springs

OKLAHOMA

Page Milk Co.
 Vinita - R

OREGON

Borden Co.
 Albany

Carnation Co.
 Ontario - R

UTAH

Morning Milk Co.
(Carnation Co.)
Wellsville

Sego Milk Products Co.
(Pet Milk Co.)
Hyrum - R
Richmond
Tremonton - R

VIRGINIA

Carnation Co.
Galax
Riner - R
Stuart - R

Pet Milk Co.
Abingdon
Rural Retreat - R

WASHINGTON

Carnation Co.
Ferndale - R
Mount Vernon
Sunnyside

Northwest Darigold
(Consolidated Dairy Prod. Co.)
Mount Vernon

WEST VIRGINIA

Carnation Co.
Cameron - R
Clarksburg
Huttonsville - R

WISCONSIN

WISCONSIN - (Cont'd)

Armour and Co.
Bloomer
Downing - R
Milton Junction - R
Stoughton

Borden Co.
Amherst - R New London

Carnation Co.
Gratiot - R
Hillsboro - R
Richland Center
Waupun

Consolidated Badger Cooperative
Iola - R Wittenberg - R
Shawano

Dairyland Cooperative Assn.
Juneau Watertown - R

Evangeline Milk Co.
Casco - R Sturgeon Bay

Gehl's Guernsey Farms
Allenton - R Germantown

Page Milk Co.
Merrill

Pet Milk Co.
Dodgeville - R
Evansville - R
Footville
New Glarus
Platteville - R
Shullsburg - R

United Milk Products Co.
Osseo

White House Milk Co.
Abbottsford - R

RESPONDENT'S EXHIBIT No. 17

Private Label Evaporated Milk
Business Lost by The Borden Company,
January 1, 1956 - March 31, 1958

<u>Customer</u>	<u>Shipments for</u>	<u>Date of Last Sale</u>
Way Stores	Safeway Stores El Paso, Texas	June 26, 1956
Associates	Klein's Supermarket St. Paul, Minnesota	Nov. 23, 1956
Associates	Schultz & Co. Sheboygan, Wisconsin	Mar. 11, 1957
Associates	Plumbs Supermarket Muskegon, Michigan	Mar. 14, 1957
Associates	Meijers Supermarket Grand Rapids, Mich.	Oct. 8, 1957
Associates	Big Bear Stores Columbus, Ohio	Sept. 13, 1957
Associates	Pick N' Pay Supermarkets Cleveland, Ohio	Aug. 13, 1957
General Purchasing Co.	Springfield Sugar & Produce Co. Springfield, Mass.	July 16, 1957

FEDERAL TRADE COMMISSION
DUCKET NO. 7129 RESPONDENT EXHIBIT NO. 17
IN THE MATTER OF *Borden Company*
DATE *12/7/59* WITNESS *Berry*
ACE REPORTING CO., Official Reporter

CONFIDENTIAL

THE BORDEN COMPANY

886

RESPONDENT'S EXHIBIT No. 76-A

REVIEW OF RECORDS IN CONNECTION WITH
COMPLAINT ISSUED BY THE FEDERAL TRADE COMMISSION
(DOCKET 7129) PERTAINING TO PRODUCTION,
DISTRIBUTION, AND SALE OF EVAPORATED MILK

FEDERAL TRADE COMMISSION
DOCKET NO. 7129 ~~RESPONDENT EXHIBIT NO. 76~~

IN THE MATTER OF *Borden Co.*

DATE *11-1-63* WITNESS *Borden Co.*

AGE REPORTING CO., Official Reporter

By *[Signature]*

11-1-63
LA 11-1-63

RESPONDENT'S EXHIBIT No. 76-B

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HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

TWO BROADWAY
NEW YORK 4

CONFIDENTIAL

December 4, 1959

The Borden Company,

350 Madison Avenue,

New York 17, New York.

Dear Sirs:

In connection with a complaint issued against you by the Federal Trade Commission (Docket 7129), at your request we have reviewed your records pertaining to the production, distribution, and sale of Borden brand evaporated milk and private label evaporated milk (except Government and export business) in order to determine the difference between the prices received by you for each of these products and the differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which those products were sold or delivered.

We understand that the complaint covers the period from the beginning of 1956 through March 1958. We directed our review to the calendar year 1957. We used a full year rather than some shorter period because some aspects of your evaporated milk operations and related costs (e.g., freight and reserve storage) have significant seasonal patterns, and therefore an analysis of any period shorter than a year would not be representative of your actual costs. We chose a calendar year since that was the fiscal year on which your accounting system and operating and expense budgets were based and, under your usual accounting procedures, such data as is available on a monthly basis is not determined as precisely as at the

beginning of 1957 rather than 1956 for the following reasons:

year-end. We chose 1957 rather than 1956 for the following reasons:

in 1957 than in 1956; (b) the difference between the prices for Borden brand and private label was smaller in 1956 than in 1957, and a limited investigation indicated that the costs had not changed substantially from 1956 to 1957, and (c) the underlying records and data were more readily available.

Our present review of the accounting and other records relating to your evaporated milk business has been made under the direct supervision of our Mr. Edward M. Darcey, who has supervised our annual audits of your Company since 1953. Information and explanations herein regarding production and operating methods, as distinguished from information and explanations derived from or directly pertaining to your accounting system and records, have been furnished to us by various of your employees including, in particular, Mr. A. J. Berry, your Food Products Division's Product Manager for evaporated milk.

In 1957 evaporated milk was produced by and marketed through your Food Products Division. We have summarized below the principal features of the Division's evaporated milk production and marketing methods and of your accounting system as it related to evaporated milk which were taken into account by us for purposes of this study.

PRODUCTION METHODS

In 1957 evaporated milk was produced at plants at Albany, Oregon; Chester, South Carolina; Dixon, Illinois; Fort Scott, Kansas; Lewisburg, Tennessee; Modesto, California; New London, Wisconsin; Perrinton, Michigan; and Wellsboro, Pennsylvania. Each plant packed private label as well as Borden brand evaporated milk. The methods of processing and packing evaporated milk did not distinguish among brands. Up to the point where labels were

affixed to the filled, sealed cans, there was no brand identification. While the methods of affixing labels and packing cans in cartons did not differ as between Borden brand and private label, an extra operation was required to stencil a customer identification on some of the private label cartons.

Borden brand evaporated milk was packed in four sizes, "confectioner's" (6 8-pound cans per case), "tall 48" (48 14-1/2 ounce cans per case), "small 48" (48 6-ounce cans per case), and "small 96" (96 6-ounce cans per case). Private label was packed only in "tall 48" and "small 48" sizes. The only size packed by all plants was the "tall 48" size, which was sold in far larger quantities than the other sizes. (Consistently with your usual practice, we have converted all data to the standard unit of 48 tall size cans. One case of 6 confectioner's size cans, one case of 96 small size cans, and 2 cases of 48 small size cans have each been treated as the equivalent of one case of 48 tall size cans; all references to "cases" in this report, unless otherwise specified, include such sizes in terms of their equivalent to tall 48's.)

Borden brand was packed in printed cartons bearing the Borden name; private label was packed either in printed cartons bearing some private label identification or in plain cartons on which a private label identification was stenciled.

DISTRIBUTION AND MARKETING METHODS - BORDEN BRAND

In 1957 Borden brand evaporated milk was sold in various states across the country, and on a uniform delivered price basis. Substantial inventories of Borden brand evaporated milk were carried at three types of storage facility: (1) at the plants which produced evaporated milk; (2) during most of the year, at about 15 reserve warehouses between the plants and the places where it was expected that the evaporated milk would be sold; and (3) at about 100 local consignment warehouses.

RESPONDENT'S EXHIBIT No. 76-4

warehouses direct to customers and also to consignment warehouses. Orders for less than carload quantities were generally filled from the consignment warehouses.

The price, on a carload basis, was \$6.30 per case from the beginning of 1957 until March 29, \$6.45 per case until November 18, and \$6.60 per case during the remainder of the year. The less than carload price was \$.05 higher. All customers were offered a 2% cash discount for payment within ten days. Retailer customers were offered a 1/10 of 1% "swell allowance" in lieu of credits for or replacement of goods found to be in unsaleable condition.

Orders for Borden brand evaporated milk were solicited by brokers and, in some of the larger cities, by your own jobbing salesmen. Both brokers and jobbing salesmen handled, in addition to Borden brand evaporated milk, all of the other Borden brand grocery products manufactured by and sold through your Food Products Division (these included, among others, Starlac, Eagle brand condensed milk, and Instant Coffee). Orders for delivery of Borden brand evaporated milk direct from a factory or a reserve warehouse were generally forwarded to the New York office of the Food Products Division, which in turn forwarded them to the appropriate shipping point, while orders for delivery from a consignment warehouse were processed in the field.

Your Food Products Division maintained a staff of field representatives whose primary duty was to call upon retailers to assist them in promoting sales of its products to consumers. The field representatives operated in all areas, regardless of whether orders were solicited by brokers or by your own jobbing salesmen. The work of the field representatives included such things as arranging displays and display space and, as to Borden brand evaporated milk, reviewing code-datings to insure proper rotation of stocks.

The field representatives were furnished sales promotion material aimed at (1) directing consumer attention to Borden brand products and (2) encouraging the retailer to devote additional or special efforts to promoting the sale of Borden brand products. While the field representatives were responsible for the promotion of all products, they devoted especial attention to Borden brand evaporated milk, the leading product of the Division's line.

Advertising of the Borden name and of Borden brand products was carried on both through a budget administered at the Company level ("all Borden" advertising) and, as to the particular products of the Food Products Division, through budgets for each product administered at the divisional level. Also, the Borden brand evaporated milk bore coupons which were redeemable for merchandise.

DISTRIBUTION AND MARKETING METHODS - PRIVATE LABEL

Private label evaporated milk was sold only from the plants, and inventories were maintained only at the plants. Orders were generally sent by the customers directly to the New York office of the Food Products Division, which forwarded them to the appropriate plant.

The price was f.o.b. plant and was determined each month for each plant.

The Company did not advertise the private label evaporated milk it packed. The merchandise bore no reference to the Borden name, in any form, and your customers were not permitted to use the Borden name in any way in connection with their distribution or sale of the product. The brokers, salesmen and field representatives had no responsibility for, and performed no services in connection with, the promotion or sale of private label evaporated milk.

The general accounting records of your Food Products Division were maintained in New York. The accounting department processed and recorded information based on reports from the plants, brokers, sales offices, reserve warehouses, etc., and from the centralized payroll, tabulating, cost, and similar service departments at your New York office.

The accounting system produced reports and data that were intended to inform and assist management in the conduct of the Division's business. To a considerable extent expenses were accumulated separately for each product, separately for government, for export, and for domestic business, and separately for Borden brand and for private label business.

In general, we have relied upon the information produced by your accounting system. We have done this, however, only after satisfying ourselves, on the basis of such auditing tests as we considered appropriate, as to the reliability of such information. All references in this report to your accounting records and practices refer (unless otherwise specified) to accounts kept and determinations made by you in the usual course of business.

In those instances where the data accumulated by your accounting system in the usual course was not broken down in sufficient detail for our present purposes, and in a few other instances where we deemed it appropriate, we have made special analyses and reviews of underlying data. The extent to which we have made and relied upon such special analyses and reviews is stated in the attached schedules which have brief explanations of our work with respect to the various individual items.

FINDINGS AND CONCLUSION

As to some of the operations involved in your manufacture and distribution of Borden brand and of private label evaporated milk, we concluded that there were no differences between the methods used for Borden brand and those used for private label. These operations included, for example, the labor involved in the processing and packing operations (except for stencilling of some private label cartons) and the administrative activities of the general management of the Company.

There were some operations as to which it appeared that, although there may have been differences between the methods used for Borden brand and those used for private label, such differences in methods would seem to result in negligible cost differences. This category includes, for example, some of the service functions carried on at your New York office to support your sales force. Another example is bad debt losses, which were not suffered at all as to private label evaporated milk, and which were quite small as to advertised products. We made no findings as to cost differences, if any, in these areas.

As pointed out at the end of Schedule 8, it appeared that the cost of storing evaporated milk at the manufacturing plants was higher, per case sold, for Borden brand than for private label but it was not practicable for us to determine the amount of such difference.

The following tabulation shows our findings as to the sales of Borden brand and private label evaporated milk for the calendar year 1957 and the related costs pertaining to operations as to which we found cost differences resulting from the differing methods or quantities in which those products were manufactured, sold or delivered.

RESPONDENT'S EXHIBIT No. 76-8

1	Gross sales.....	\$27,632,192.80	\$6.4046	\$5,716,001.48	\$5.1743
	Less sales deductions:				
	Damaged goods....	48,217.85	.0112	3,002.97	.0027
3	Cash discount offered.....	552,156.41	.1279	-	-
	Net sales.....	\$27,031,818.54	\$6.2655	\$5,712,998.51	\$5.1716
	Costs:				
4	Labels and cartons.....	\$ 771,693.75	\$.1789	\$ 152,059.38	\$.1376
5	Primary freight.	1,589,276.74	.3684	20,754.72	.0188
6	Secondary freight.....	48,516.22	.0112	-	-
7	Reserve storage.	297,565.12	.0690	-	-
8	Consignment storage.....	131,774.39	.0305	-	-
9	Investment:				
	In accounts receivable..	59,247.82	.0137	34,396.86	.0311
	In inventories	360,279.44	.0835	28,421.83	.0257
10	Premium label redemption....	999,122.67	.2316	-	-
11	Advertising.....	539,273.12	.1250	-	-
12	Sales department	1,364,644.17	.3163	974.95	.0009
13	Brokers' commissions.....	184,030.79	.0427	-	-
14	Evaporated milk promotion department....	81,747.00	.0189	13,611.13	.0123
15	Clerical.....	64,980.97	.0151	6,886.16	.0062
	Total.....	\$ 6,492,152.20	\$1.5048	\$ 257,105.03	\$.2327

- (1) Based on 1957 sales of 4,314,410.72 cases
 (2) Based on 1957 sales of 1,104,697.00 cases

Summary

Average Net Sales Prices Per Case	Costs Per Case
Borden brand..... \$6.2655	Borden brand..... \$1.5048
Private label..... 5.1716	Private label..... .2327
Difference..... \$1.0939	Difference..... \$1.2721
Excess of cost difference over price difference:	\$.1782

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 (Revised May 6, 1960)

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We have set out in Schedules 1 to 15, inclusive, attached hereto, the components of the foregoing price and cost data, and a brief explanation of the sources which we used in our determinations of prices and costs.

Yours truly,

Fixtures & Mills

Borden brand. We accumulated the Borden brand sales data from the regular monthly sales tabulations. The totals are as follows:

	Cases Sold	Cases Sold
		Tall 48 Basis
Tall 48's.....	3,944,033.39	3,944,033.39
Small 48's.....	565,595	282,797.50
Small 96's.....	77,055	77,055.00
Confectioner's.....	10,524.83	10,524.83
Total case sales.....		4,314,410.72
Dollar sales.....		\$27,632,192.80
Average price per case.....		\$6.4046

Private label. We accumulated the private label sales data directly from the invoices and settlement sheets covering those sales. The totals are as follows:

	Cases Sold	Cases Sold
		Tall 48 Basis
Tall 48's.....	1,052,553	1,052,553.00
Small 48's.....	104,288	52,144.00
Total case sales.....		1,104,697.00
Dollar sales.....		\$5,716,001.48
Average price per case.....		\$5.1743

SCHEDULE 1

8242

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DAMAGED GOODS

Borden brand. The Division generally replaced or allowed credit for incidental spoiled or damaged Borden brand evaporated milk. Some customers, however, took the "swell allowance" of one-tenth of one per cent which was offered to retailer customers in lieu of replacement or credits for damaged goods. All of these amounts, and also payments to warehousemen for repacking cartons where a few cans had spoiled, and other costs relating to damaged goods, were recorded in the Division's Damaged Goods account. Any amounts considered to be recoverable from carriers were credited to the account. We accumulated the aggregate net amount from the regular monthly tabulations. The amounts are \$48,217.85, or \$.0112 per case sold.

Private label. The Division did not replace or allow credit for incidental spoiled or damaged private label evaporated milk and it did not incur any other miscellaneous costs in this respect, except for some one-tenth of one per cent "swell allowances" which we accumulated directly from the sales invoices. The total amount is \$3,002.97, or \$.0027 per case sold.

Cash Discounts Offered
Schedule 3

899

RESPONDENT'S EXHIBIT No. 76-12

Borden brand. The Division offered a cash discount of 2% to Borden brand customers for payment within ten days of the invoice date. The discount was available to all customers and almost all customers took it. We considered that a customer who failed to take the discount was paying an extra charge for extension of credit beyond the discount period. Accordingly we have treated the full amount offered as a reduction of the sales price.

The computation is as follows:

Gross sales (from Schedule 1).....	\$27,632,192.80
Add stop-off charges billed to customers (from Schedule 5).....	3,263.40
Total.....	27,635,456.20
Less swell allowances.....	27,635.46*
Net - cash discount base.....	\$27,607,820.74
Cash discounts offered, at 2%.....	\$552,156.41
Discounts offered, per case sold.	<u>\$1.1279</u>

Private label. Cash discounts were not offered to or taken by private label customers.

* Since it was not feasible to isolate swell allowances from the other components of the Division's Damaged Goods account, this amount was estimated to be one-tenth of one per cent of all sales. Since not all customers took the swell allowance, this overstates the actual swell allowance taken. To that extent the cash discount base, and consequently cash discounts offered, are understated.

SCHEDULE 3

8244

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LABELS AND CARTONS

Aside from the cost differences between Borden brand labels and cartons and private brand labels and cartons attributable to differences in source of supply, quantities ordered, specifications, etc., further differences arose because some private label customers provided their own labels and cartons and because some private label brands were packed in plain (unprinted) cartons on which a customer identification had to be stenciled at the plant.

We summarized the cost of the labels and cartons used in production, by size, for Borden brand and for each private label brand, from the monthly reports of material usage which were submitted by the plants and which were valued by the Division's cost department.*

We obtained the cost of stenciling plain cartons with a private label customer identification from a summary of plant payroll reports.**

In order to relate the data to the sales which were made during 1957, further steps were required to exclude the effect of changes in inventories during the year. The procedures were somewhat different for Borden brand and for private label.

* The plant at Dixon did not report separately usage or costs of Borden brand and Safeway brand labels and cartons. Therefore the quantities of each brand packed were taken from separate correspondence with Dixon. We allocated the costs of labels and cartons between the two brands based upon the relationship of unit costs of the brands at Fort Scott, which was the nearest plant that packed both Borden brand and Safeway brand.

**Since the plant at Albany did not report this item separately, we estimated stenciling costs for the brands packed in plain cartons at Albany at the average per case stenciling cost for all other plants.

RESPONDENT'S EXHIBIT No. 76-14

cartons used in production during the year, separately for each size, at all plants together, and divided the total costs by the number of cases of each size packed (as determined by an analysis of the quantity of cartons and labels used in production), to determine the average cost per case packed. We then multiplied the resulting unit costs by the number of cases of each size sold during the year, to determine the costs applicable to 1957 sales. The final computations are as follows:

	<u>48 Tall</u>	<u>48 Small</u>	<u>96 Small</u>	<u>Confectioner's Total</u>
Costs of 1957 production:				
Labels.....	\$303,893.32	\$24,764.45	\$ 5,851.77	\$ 835.64
Cartons.....	378,162.06	36,722.09	5,761.33	2,311.13
				422,956.61
Total costs	\$682,055.38	\$61,486.54	\$11,613.10	\$3,146.77
Cases packed...	3,877,198	556,426	71,893	11,212
Average cost per case packed (total costs ÷ cases packed).....	.17591	.11050	.16153	.28066
Cases sold.....	3,944,033.39	565,595	77,055	10,524.83
Total cost applicable to 1957 sales (average cost x cases sold)	\$693,794.91	\$62,498.25	\$12,446.69	\$2,953.90
Cost per case sold (tall size equivalent basis)...				<u>\$1.1789</u>

Private label. Since label and carton costs varied considerably among brands, we considered it necessary to relate the costs of each brand directly to the sales of each brand. Therefore, we accumulated the costs of labels and cartons used in production during the year separately for each size, brand, and plant, and divided the

SCHEDULE 4

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RESPONDENT'S EXHIBIT No. 76-15

costs by the number of cases of each type which were packed (as determined by an analysis of the quantity of labels and cartons used in production) to determine the average costs. We then accumulated the number of cases of private labels sold during the year, by size, brand, and plant, from the invoices and settlement sheets, and multiplied those quantities by the appropriate unit costs. The aggregate data are as follows:

	<u>48 Tall</u>	<u>48 Small</u>	<u>Total</u>
Total costs of 1957 production (all plants and brands together):			
Labels.....	\$ 44,036.93	\$1,963.59	\$ 46,000.52
Cartons.....	100,489.40	4,236.93	104,726.33
Stenciling.....	5,061.41	463.22	5,524.63
Total costs.....	\$149,587.74	\$6,663.74	\$156,251.48
Total cases packed.....	1,071,359	110,652	-
Total cases sold.....	1,052,553	104,288	-
Total cost applicable to 1957 sales.....	\$145,909.64	\$6,149.74	\$152,059.38
Cost per case sold (tall size equivalent basis).....			<u>\$.1376</u>

Borden brand. Primary freight on Borden brand consisted of:

(1) the cost of shipment from plants to (a) customers, (b) reserve warehouses, (c) consignment warehouses, and (d) other Borden plants; and

(2) the cost of shipment from reserve warehouses to (a) customers and (b) consignment warehouses.

While the Division accumulated its primary freight costs separately for Borden brand and for private label evaporated milk, we found that these accounts had not been kept on an entirely consistent basis throughout the year. For this reason, we accumulated the primary freight cost data from underlying records.

The net primary freight cost on Borden brand evaporated milk is determined as follows:

(See following page)

SCHEDULE 5

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Payments to carriers applicable to 1957

Shipments: \$1,416,964.22
 Shipments from plants..... \$1,578,741.28
 Shipments from reserve warehouses..... 161,777.06
 Add - freight on 1956 shipments to warehouses and to
 other plants, where shipments to customers were not
 made until 1957*..... 91,313.48
 Deduct - freight on 1957 shipments to warehouses and
 to other plants, where shipments to customers were
 not made until 1958*..... (72,004.75)
 Amount applicable to 1957 sales..... 1,598,050.01

Less:

Charged to customers on stop-off
 shipments..... 3,263.40
 Claims, etc..... 5,509.87

Net cost..... \$1,589,276.74
 Cost per case sold..... \$.3684

* These amounts are calculated as follows:

Consignment warehouses (\$.35362, the average cost per case of shipments to consignment warehouses during 1957, times 128,368 cases on hand at January 1, and 106,450 cases on hand at December 31)..... \$45,393.49 \$37,642.85
 Reserve warehouses (the aggregate total of the number of cases in each warehouse times the average cost of shipments to each warehouse in 1957)..... 45,674.73 33,451.31
 Smalls at plants not producing smalls, which had been shipped from another plant (the aggregate number of cases at each plant times the prevailing freight rates per case from plants shipping the smalls)..... 245.26 910.59
 Total..... \$91,313.48 \$72,004.75

shipped to consignment warehouses or to reserve warehouses; since

private label was sold on an f.o.b. plant basis, each customer was obligated to reimburse the Division for the freight on shipments to it. There were, however, instances in which private label was shipped to a customer from a plant other than the one from which he ordinarily purchased, with the Division absorbing the difference in freight. Also, in those instances where the plant from which a customer ordinarily purchased did not manufacture the small size cans, such cans had to be shipped from another (and usually more distant) plant, and the Division was not in all instances fully reimbursed by the customers for the cost of these shipments. Accordingly, we made a detailed analysis of all private label primary freight charges which were paid in the first instance by the Division, deducted the amounts of the reimbursements received by the Division from customers, and charged the difference as the primary freight cost applicable to private label.

The net primary freight cost on private label evaporated milk is computed as follows:

Payments to carriers in 1957 - shipments from plants....	\$242,075.94
Add freight on 1957 shipments to customers, paid to carriers in 1958.....	795.45
Deduct freight on 1956 shipments to customers, paid to carriers in 1957.....	(533.68)
	<u>242,337.71</u>
Add freight on 1956 shipments applicable to 1957 shipments where shipments to customers were not made until 1957*	30.82
Deduct freight on 1957 shipments of smalls to other plants, where shipments to customers were not made until 1958*.....	(565.18)
	<u>241,803.35</u>
Less - charged to customers.....	<u>221,048.63</u>
Net cost.....	<u>\$ 20,754.72</u>
Cost per case sold.....	<u>\$.0188</u>

* These amounts represent freight on smalls at plants not producing smalls, and are calculated in the same manner as for the comparable Borden brand item shown in the footnote on the preceding page.

SECONDARY FREIGHT

Secondary freight consisted of the costs incurred by the Division in shipping its Borden brand products from consignment warehouses and the West Street warehouse in New York City to customers. No private label evaporated milk went through the consignment warehouses or the West Street warehouse, and accordingly there were no secondary freight costs on private label.

The Division did not distinguish in its accounts between the secondary freight cost on evaporated milk and the cost incurred on other products.

There were well over 10,000 freight bills covering shipments from these warehouses during the year and many of the invoices included more than one product. It would have been an extremely laborious process to determine the secondary freight cost on Borden brand evaporated milk by computing the freight charges shown on each invoice. Therefore we determined the secondary freight costs on a random sample of the secondary freight bills and assumed that the remaining freight bills would show comparable costs. The sample included 18.775% of the total number of available freight bills, and showed a total of \$9,108.92 of charges to evaporated milk. Accordingly, we multiplied this amount by 100/18.775 to arrive at the total evaporated milk secondary freight cost. This amount is \$48,516.22, or \$.0112 per case sold.

During most of the year, the Division stored substantial quantities of Borden brand evaporated milk in about 15 reserve warehouses. These warehouses were located in or near regions where there was a substantial demand for Borden brand evaporated milk. Shipments were made from these warehouses in carload lots to customers and to consignment warehouses. Private label evaporated milk was not stored in reserve warehouses.

Most of these warehouses were owned and operated by independent warehousemen. The Division, however, maintained a reserve warehouse at Elkland, Pennsylvania, and also used its Macon, Mississippi, facility for the same purpose.

We accumulated the total charges from the monthly summaries prepared by the Division. We then added to this amount the storage charges which had been paid in 1956 but which applied to 1957 sales, and subtracted the charges paid in 1957 but which related to 1958 sales. The computations are as follows:

Commercial warehouse charges (summary of actual invoice charges during year).....	\$227,241.04
Expenses at Elkland (actual expenses for the year - labor, utilities, depreciation, taxes, etc.).....	21,019.97
Expenses at Macon (based on rates which were charged by commercial warehouses in the area; used in lieu of higher actual expenses which included idle plant costs).	13,507.68
1956 payments applicable to 1957 sales*.....	71,551.34
1957 payments applicable to 1958 sales*.....	(35,754.91)
Total expense.....	\$297,565.12
Cost per case sold.....	\$.0690

* These amounts are computed by determining the amount of storage charges which had been paid on the inventories held by each warehouse at the beginning of the year and at the end of the year.

CONSIGNMENT STORAGE

Borden brand products were stored throughout the country in consignment warehouses and in New York City at the Division's West Street warehouse. These warehouses filled small orders for all of the Company's products. Private label evaporated milk was not stored in such warehouses.

The Division did not distinguish in its accounts between the cost of storing evaporated milk and the cost of storing other products. Therefore we accumulated the evaporated milk costs from underlying records.

Most of the invoices submitted by commercial warehouses for storing and handling the Division's products were paid from the Division's New York Office. We computed the storage costs applicable to Borden brand evaporated milk on each invoice and accumulated the total.

Some warehouse invoices were paid by the Division's offices in Chicago and San Francisco. Some of the invoices paid by these offices could not be located; therefore we computed the charges applicable to evaporated milk on the available invoices and estimated the evaporated milk charges on the missing invoices from each office to be in the same proportion to total storage and handling charges as prevailed on the available invoices.

The Division's records of its West Street warehouse expenses also grouped together the costs incurred on all products. We decided therefore to allocate the West Street costs among products based on the relationship of the product rates actually charged by the Currier-Lee Warehouse in Chicago. (We selected the Currier-Lee Warehouse because it also carried the full line of products in 1957 and, like the West Street warehouse, was in a large metropolitan area.) We

Lee Warehouse in Chicago. (We selected the Currier-Lee Warehouse because it also carried the full line of products in 1957 and, like the West Street warehouse, was in a large metropolitan area.) We

determined the percentage of the evaporated milk total to the totals of all products. We then applied this percentage to the actual costs incurred at the West Street warehouse.

The computation of the total cost of consignment storage of evaporated milk (including West Street storage) is as follows:

Actual charges on invoices paid from New York office..... \$105,138.89
Charges on invoices paid from other offices, estimated as follows:

	Chicago	San Francisco
Evaporated milk charges on available invoices.....	\$ 523.36	\$1,879.98
Estimated charges on other invoices:		2,403.34
Charges for all products on missing invoices.....	1,388.85	8,029.06
Proportion of evaporated milk charges to charges for all products on available invoices.....	4.75%	9.85%
Estimated charges to evaporated milk on missing invoices.	65.97	790.86
West Street warehouse costs:		856.83
Currier-Lee Warehouse rates applied to West Street transactions in evaporated milk.....	\$13,492.68	
Currier-Lee Warehouse rates applied to West Street transactions in all products.	44,481.75	
Proportion of evaporated milk amounts to total amounts.....	30.33%	
Total West Street storage and handling costs.....	77,070.00	
West Street charges applicable to evaporated milk (30.33% of \$77,070.00).....		23,375.33
Total storage and handling charges.....		\$131,774.39
Cost per case sold.....		\$.0305

(See following page)

While the Division stored only Borden brand evaporated milk at consignment warehouses and reserve warehouses, it maintained inventories of both Borden brand and private label at the producing plants. The Division did not segregate storage and handling costs on plant inventories from other operating costs.

The average amount of Borden brand inventory held at the plants was 394,623 cases. By dividing this amount by the average number of cases sold each day, we determined that, on the average, each case of Borden brand was stored at a plant for 33 days. By dividing the average inventory of private label, 71,734 cases, by the average number of cases sold each day, we determined that, on the average, each case of private label was stored at a plant for 24 days. Since Borden brand was stored at the plants for about a third longer than private label, it would seem that a higher cost per case sold was incurred on Borden brand than on private label.

We did not, however, attempt to determine the actual storage costs on Borden brand and private label at the plants, because it seemed that an inordinate amount of time and effort would be required to develop such costs with any degree of accuracy.

1. Accounts Receivable

The sales terms for Borden brand evaporated milk were 2% 10 days, net 30, from date of shipment.

The sales terms for private label evaporated milk were net, from date of final billing but the payment arrangements varied somewhat among customers. Some private label customers were billed at an estimated price as of the date of shipment; these customers paid on the basis of such estimated price and settlements were made after the actual prices had been determined about the 20th of the following month. The other private label customers were not billed until the actual prices were determined.

Because of the differences in the billing and payment arrangements, the Division had a substantially higher investment in private label accounts receivable than in Borden brand accounts receivable, in relation to sales of the two products.

We determined the rate to be applied to the total investment in accounts receivable by an analysis of the Company's operations as they bore on this point. The most appropriate rate appeared to be the one which the Company used in connection with its incentive compensation plans, which was 8%.

Borden brand. We determined the investment in Borden brand accounts receivable by multiplying the net sales for the year, (for net sales see p. 8) \$27,031,818.54, by the portion of a year these amounts were outstanding, 10/365 (on the assumption that these amounts were paid on the tenth day after shipment). This average investment in accounts receivable, \$740,597.77, times 8% equals \$59,247.82, or \$.0137 per case sold.

RESPONDENT'S EXHIBIT No. 76-25

Private label. We determined the investment in private label accounts receivable on the basis of the several billing and payment arrangements. We assumed that remittances from private label customers who were billed on an estimated price basis, were received 10 days after the date of shipment; we dealt with the settlements made with these customers as outlined in the computations. We assumed that remittances from private label customers who were billed only after the actual prices had been determined, were received 45 days after shipment - i.e., we used 15 days (a half-month) as the average shipping date and we assumed remittances were received from the customers on the 30th of the following month.

The computations are as follows:

Net billings to customers who paid 45 days after shipment, \$3,222,857.43, times 45/365.	\$397,338.59
Net billings to customers who paid 10 days after shipment, \$2,717,923.91, times 10/365.	74,463.67
Net balances arising from over- or under-payment of final amount due on the initial billing to customers paying 10 days after shipment, times the portion of a year each amount was outstanding*.....	<u>(41,841.50)</u>
Average investment in accounts receivable.....	<u>\$429,960.76</u>
Average investment in accounts receivable times 8%.....	<u>\$ 34,396.86</u>
Cost per case sold.....	<u>\$.0311</u>
* Safeway - monthly credit balances outstanding from the 25th of one month (10 days after the average shipment) until 30 days after the end of the calendar quarter.....	\$(29,918.84)
CROG - monthly credit balances outstanding for varying periods, aggregating.....	(13,650.12)
MPA - total debit balances of \$18,014.93, outstanding from the 25th of one month until the 30th of the following month, or 35 days.....	<u>1,727.46</u>
Total.....	<u>\$(41,841.50)</u>

RESPONDENT'S EXHIBIT No. 76-26

in its plants and reserve and consignment warehouses. In relation to sales, private label inventories were much less and were carried only at plants. This resulted in a substantially higher investment in Borden brand inventories than in private label inventories, in relation to sales of the two products.

We determined the investment in inventories by accumulating the monthly quantities reported by the plants and by consignment and reserve warehouses, multiplying the monthly totals by the values per case shown on the Division's record of the cost of inventory of finished goods, and computing the average of these monthly amounts. We added to this amount the amount of freight which had been paid on cases which were held in inventory.

We applied the same 8% rate to the average investment in inventories that we used to compute the cost of investment in accounts receivable.

Borden brand. The computations of the cost of investment in Borden brand inventories are as follows:

Average Investment in Inventory.....	\$4,383,695.98
Average Investment in freight on inventory*.	119,796.99
Total.....	<u>\$4,503,492.97</u>
Total times 8%.....	<u>\$ 360,279.44</u>
Cost per case sold.....	<u><u>\$.0835</u></u>

* This amount is computed as follows:

Consignment warehouses - average quantity in inventory, 147,497 cases, times average freight cost, \$.35362 per case.....	\$ 52,157.89
Reserve warehouses - average quantity in inventory, 347,764 cases, times average freight cost, \$.19024 per case.....	66,158.62
Smalls at plants not producing smalls - aggregate of the average inventories times the cost per case from the plants shipping them.....	1,480.48
Total.....	<u><u>\$119,796.99</u></u>

SCHEDULE 9

- 3 -

2250

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Private label. The computations of the cost of investment in private label inventories are as follows:

Average investment in inventory.....	\$354,817.45
Average investment in freight on inventory*...	<u>455.46</u>
Total.....	<u>\$355,272.91</u>
Total times 8%.....	<u>\$ 28,421.83</u>
Cost per case sold.....	<u>\$.0257</u>

* This amount consists entirely of freight on smalls held in inventory by plants not producing smalls. The amounts were computed in the same way as freight on Borden brand smalls, as explained in the footnote on the preceding page.

Cans of Borden brand evaporated milk bore premium labels which were redeemable for merchandise, at the Division's expense. The Division incurred no such expense on any private label evaporated milk packed by it.

The redemption of premium labels was handled by Premium Associates, Inc., (25% owned by Borden) which handled redemptions of coupons for various companies. Premium Associates not only provided the merchandise which was given as premiums, but also maintained the numerous local "Red Scissors" stores and agencies at which coupons could be redeemed, and handled the details of collecting, checking, and accounting for redeemed coupons.

The Division's premium label redemption costs consisted of regular monthly payments to Premium Associates, plus payments to Premium Associates and to others in conjunction with special offers and other miscellaneous matters. The Division also allocated to this account a share of the salary costs of the personnel in the Division's advertising department who checked the number of coupons reported as redeemed by Premium Associates, observed their destruction, etc.

In accordance with the Division's usual practice for both general and tax accounting purposes, we charged all of the foregoing amounts which were paid during the calendar year 1957 against sales made during that year; likewise, we charged against 1957 sales the amount of the adjustment which was made at the end of the year to the reserve which was maintained to take into account payments which would be required in future years to redeem premium labels issued in 1957.

Since premium labels were used on some of the Division's brands of condensed milk, as well as on Borden brand evaporated milk,

it was necessary to allocate the total redemption cost between the two products. We did this on the basis of the coupons issued during the year on the two products.

The computation of the premium label redemption cost on Borden brand evaporated milk is as follows:

Regular monthly payments to Premium Associates, Inc.....	\$931,740.01
Other payments.....	11,755.09
Allocation of salary costs.....	<u>2,012.50</u>
Adjustment of reserve for coupons issued and unredeemed.....	79,925.64
Total redemption cost.....	<u>1,025,433.24</u>
Cost allocated to evaporated milk (proportion of evaporated milk coupons to total coupons issued during year, 97.4342%, times total redemption cost).....	\$ 999,122.67
Cost per case sold.....	<u>\$.2316</u>

Borden brand. Advertising expenditures were made under two general budgets: (a) the "all Borden" advertising budget administered at the Company level, and (b) the advertising budget of the Food Products Division.

The total "all Borden" cost was \$7,151,602 for all Division: of which \$3,192,070 was allocated as a charge directly against specific products, on the basis of decisions made at the beginning of the year at the Company policy level. Of this latter amount, \$118,880 was charged to Borden brand evaporated milk; and we have included that amount as a charge against Borden brand.

Of the remaining \$3,959,532 of "all Borden" expenditures which were not assigned by the Company to products, we allocated \$115,855.91 to Borden brand evaporated milk, based on dollar sales of Borden brand evaporated milk in relation to the Company's total sales.*

As to the advertising budget of the Food Products Division, most of the expenditures were made for specific products. We have charged against Borden brand evaporated milk the amounts which were spent on that item, and an appropriate share of the costs, such as rent and supervision, which were incurred jointly on several products. We accumulated these charges from the Division's monthly summaries.

* The denominator which we used in making this allocation includes government sales, export sales, and private label sales (except private label sales of evaporated milk). Accordingly, the dollar amount allocated to Borden brand evaporated milk is less than would have resulted if it had been practicable to exclude such government, export, and private label sales.

RESPONDENT'S EXHIBIT No. 76-31

The computation of total advertising costs for Borden brand evaporated milk is as follows:

"All Borden" expense assigned to evaporated milk by the Company.....	\$118,880.00
Portion of "all Borden" expense not assigned to products by the Company (2.9260% of \$3,959,532)	115,855.91
Expenses at Divisional level:	
Direct charges to evaporated milk:	
Radio and television advertising.....	\$134,929.06
Consumer literature (recipe books, etc.) .	64,338.67
"Red Scissors" advertising.....	54,887.53
Point-of-sale material.....	18,057.50
Outside publicity fees and expenses.....	7,018.03
Direct mail.....	3,631.81
Newspaper advertising.....	1,316.36
Art and mechanical expenses.....	1,159.69
Other direct expenses.....	1,853.27
Salaries of advertising department personnel assigned exclusively to evaporated milk.....	10,327.50
Allocation of part of salaries of advertising manager and staff.....	2,823.48
Allocation of rent, and other departmental costs.....	4,194.31
Total.....	\$539,273.12
Cost per case sold.....	\$.1250

Private label. No advertising expense was incurred on private label.

Borden brand. The Division maintained a large sales staff to promote its advertised products. The largest number of sales personnel was classified as field representatives. Their duties involved the promotion of sales by retailers to consumers and the encouragement of retailers to promote the Division's advertised products. The field representatives set up displays in retail stores, filled shelves from the retailers' storerooms, etc. The sales staff included supervisors, who were responsible for training and supervision of the field representatives. The Division's jobbing salesmen sold to the trade in those areas where the Division did not use brokers.

The sales staff also included a manager for each of the 15 sales districts. These District Managers were responsible for selling and promotional activities in their areas. Each of the four Division Managers was in charge of from three to five Districts. The General Sales Manager had overall responsibility for planning and coordinating the efforts of the field sales force.

Some expenses of the field sales force were incurred directly for particular products. These expenses included the cost of product display material and the salary and travel expenses of sales personnel assigned exclusively to one product. The Division classified such expenses as direct field expenses and charged them directly to product expense.

The bulk of the expenses of the field force, and all of the expenses of the General Sales Manager and his staff, were joint or unapplied expenses applicable to all advertised products, and were neither charged nor allocated to specific products by the Division.

Of the total joint or unapplied expenses, about one-half represented salaries and travel expenses of field representatives.

There were no detailed records containing information upon which to base any allocation of the time of these men, as between Borden brand evaporated milk on the one hand and the other advertised products on the other hand. An analysis of the time currently being spent by them in promoting Borden brand evaporated milk would be of no value, as applied to the 1957 situation, because the number and kind of products handled by the field force have changed considerably since then. We accordingly made an allocation of the salaries and expenses of the field representatives, on a dollar sales basis. This resulted in an allocation of 44.0206% to Borden brand evaporated milk.

This in our judgment, based among other things upon the most specific information which we were able to obtain through interviewing your personnel who had knowledge of the facts, is a conservative basis for determining the appropriate amount of the charge against Borden brand evaporated milk. The following were among the factors taken into account in this connection:

- (1) the field representatives were instructed to review the code-datings on cans of evaporated milk, and generally to promote that product, on every call, while there were no comparable instructions as to the other products;
- (2) an appreciable part of their time was spent in physical handling of the products, and evaporated milk is a relatively heavy and bulky product in relation to dollar value, as compared with the other products; and
- (3) an appreciable amount of time was spent putting cans of Borden brand evaporated milk into "tote carton" carriers, which were not used on the other products.

Most of the other expenses of the sales department arose from the supervisory and administrative functions related to the field representatives; we decided, therefore, that the dollar sales

spread, applied to the other expenses of the field force and the General Sales Manager, was the best available method of determining the cost applicable to Borden brand evaporated milk.

The cost data were derived from the regular monthly summaries maintained by the Division. The computations of the expense are as follows:

(See following page)

RESPONDENT'S EXHIBIT No. 76-35

Direct expenses:	
Salaries, travel, etc.....	\$ 112,926.01
Advertising, display and demon- stration materials and expenses.....	49,696.59
Samples.....	4,453.82
Other.....	98.50
Total.....	\$ 167,174.92
Joint or unapplied expenses:	
Salaries, travel expense, etc.:	
Field representatives.....	1,350,603.16
Payments to brokers for retail store work.....	56,461.13
Supervisors and assistants.....	73,653.30
Jobbing salesmen.....	114,574.86
Division and district managers.....	272,575.70
General Sales Manager and staff.....	138,127.00
Clerical.....	199,431.46
Employee benefits (retirement plan, social security taxes, etc.)	134,269.80
Office expenses - rent, stationery, etc.....	182,669.68
Freight on advertising and display materials.....	55,994.96
Various local taxes.....	49,175.16
Display and demonstration materials and expenses, not for particular products.....	46,271.17
Sales material for internal use.....	20,644.34
Conventions - booth rentals, etc.....	12,102.18
Other.....	34,107.54
Less charges to export and industrial products, etc.....	(19,439.04)
Total.....	2,721,222.40
Deduct allocation to private label (see below).....	974.95
Allocation to advertised products.....	<u>\$2,720,247.45</u>
Allocation to Borden brand evaporated milk (44.0206% of above amount).....	<u>1,197,469.25</u>
Total cost.....	<u>\$1,364,644.17</u>
Cost per case sold.....	<u>\$.3163</u>

Private label. We were informed that, although none of the sales staff had any responsibility for private label matters, two Division Managers had in fact performed some minor services in connec-

... made liberal estimates of the proportion of their time spent on the two or three instances involved, and applied these percentages to the total expense incurred by each of their offices. (These amounts were then deducted from the total unapplied expenses, before spreading these expenses among the advertised products.)

The computations are as follows:

New York Division Manager	
(1% of \$27,709.13)	\$277.09
San Francisco Division Manager	
(2% of \$34,892.75)	<u>697.86</u>
Total	<u>\$974.95</u>
Cost per case sold	<u>\$.0009</u>

BROKERS' COMMISSIONS

Brokers performed the function of selling the Division's advertised products to wholesalers and chains in those areas where the Division did not have its own jobbing salesmen. The brokers also prepared invoices, inventory reports, etc., in connection with sales out of the consignment storage warehouses in their brokerage areas. The brokers were compensated by commissions computed on sales in their areas.

The commission rates on products other than evaporated milk ranged from 2% to 3%. For Borden brand evaporated milk, however, the rate had been five cents per case for many years and had not been raised as the price increased. If a 2% rate had been used for Borden brand evaporated milk in 1957, the average rate per case would have been about thirteen cents.

In order to meet pressure from brokers for higher commissions on evaporated milk, and at the same time to forestall possible objections from brokers to the Division's by-passing them in the sale of private label evaporated milk, the Division initiated a 2-1/2 cents per case commission on some sales of private label.

In view of the reasons for the computation of commissions on some private label sales, and since the brokers were not expected to perform any services or assume any responsibilities in connection with the sale of private label, it is our opinion that commissions computed on private label sales should not be considered a cost applicable to sales of private label but a cost applicable to sales of Borden brand evaporated milk.

We accumulated the total of brokers' commissions for the year from the monthly summaries of commissions earned. The annual totals are as follows:

RESPONDENTS EXHIBIT No. 76-38

Brand evaporated milk.....	\$170,151.48
Commissions computed on sales of private label evaporated milk.....	<u>13,879.31</u>
Total.....	<u>\$184,030.79</u>
Cost per case sold.....	<u>\$.0427</u>

EVAPORATED MILK PROMOTION DEPARTMENT

The Product Manager for evaporated milk, Mr. A. J. Berry, was the Division's official who was responsible for promotion and merchandising planning of Borden brand evaporated milk. He also handled all inquiries and problems relating to private label evaporated milk sales (except for the minor contacts by two Division Managers discussed in Schedule 12).

The expenses charged to his department included salary and office expenses, the cost of the Company's membership in the Evaporated Milk Association, and certain other expenses arising from the merchandising of Borden brand evaporated milk. We accumulated the expenses from the Division's monthly summaries, by type of expense.

We allocated to Borden brand evaporated milk the expenses which arose from promotional activities for that product, and the salaries of personnel who worked entirely on that product.

Since we could find no precise method of determining the time which Mr. Berry spent on Borden brand and on private label matters, we allocated his salary and travel expense between Borden brand and private label on the basis of the number of cases sold. We allocated the salaries of his secretary and his assistant, the general office expenses, and the dues paid to the Evaporated Milk Association in the same manner.

The computations are as follows:

(See following page)

RESPONDENT'S EXHIBIT No. 76-40

	Brand	Label
Amounts charged entirely to Borden brand:		
Salaries.....	\$12,900.00	
Travel.....	1,338.00	
Employee benefits (retirement plan, social security taxes, etc.).....	1,014.15	
Conventions - booth rentals, etc.....	4,420.16	
Advertising and promotional materials.....	3,859.76	
Consumer survey.....	2,432.15	
Sales material for internal use.....	1,819.41	
Other.....	804.92	
Amounts allocated by cases sold:		
Salaries.....	\$29,820.00	
Travel.....	8,570.37	
Employee benefits (retirement plan, social security taxes, etc.).....	2,344.35	
Evaporated Milk Association dues.....	25,651.89	
Other.....	382.97	
Total.....	66,769.58	
Allocated to Borden brand.....	53,158.45	\$13,611.13
Allocated to private label.....		\$81,747.00
Total expenses.....		\$13,611.13
Cost per case sold.....		\$.0123

CLERICAL

The general offices of the Company and of its Food Products Division were in New York from which the field production and sales activities were controlled and coordinated and where accounting and other data were accumulated.

The functions of many of the service departments at the New York office did not relate at all to evaporated milk, while the functions of some service departments did not relate to evaporated milk in a manner that would produce a cost difference between Borden brand and private label. The functions of the service departments which did relate to evaporated milk were those involving sales invoices, controlling and recording inventories, etc.

The functions of the service departments which did relate to evaporated milk also related to other products of the Food Products Division (including export products) and generally to products of other Divisions. All but one of these departments regularly prepared analyses, for budget purposes, of their time and effort to arrive at a percentage allocation to each Division; we reviewed the allocation methods used for 1957 and found them to be generally reasonable. (We made a separate analysis of the department which had not prepared one.)

We made allocations of the departmental expenses which resulted in cost differences between Borden brand and private label evaporated milk; the allocations were based on the departmental analyses described above and on supplementary information relating to numbers of documents processed, numbers of entries, etc. The following table shows the departments for which we found appreciable cost differences between Borden brand and private label evaporated milk, a brief explanation of the departmental functions, and the expenses we have allocated to Borden brand and to private label evaporated milk:

12621

821

128

FOLDOUTS TOO LARGE TO BE FILMED

12621

821

12621

SHIPMENTS

FOI

TOTAL

PROTECTOR DISTRICT

CASES

CASES WAREHOUSES

WAREHOUSES

City	Year	Value	Rate	Notes
Albany	1911	7115	1.2%	
Albany	1912	16375	2.5%	
Albany	1913	15115	2.2%	
Albany	1914	14000	2.2%	
Albany	1915	13115	1.2%	
Albany	1916	63160	11.0%	
Albany	1917	63245	1.1%	
Albany	1918	52500	1.0%	
Albany	1919	15020	1.0%	
Albany	1920	13300	1.0%	
Albany	1921	14000	1.0%	
Albany	1922	44261	1.6%	
Albany	1923	51524	1.1%	
Albany	1924	24615	4.0%	
Albany	1925	12600	1.2%	
Albany	1926	11100	1.2%	
Albany	1927	11360	1.2%	
Albany	1928	5170	1.1%	
Albany	1929	18207	3.1%	
Albany	1930	21100	1.4%	
Albany	1931	16000	1.3%	
Albany	1932	34775	1.6%	
Albany	1933	6000	1.1%	
Albany	1934	6200	1.1%	
Albany	1935	9000	1.2%	
Albany	1936	17140	2.1%	
Albany	1937	40000	1.1%	
Albany	1938	11150	1.0%	
Albany	1939	34200	1.6%	
Albany	1940	13800	1.2%	
Albany	1941	22500	1.4%	
Albany	1942	31800	1.6%	
Albany	1943	13500	1.2%	
Albany	1944	10500	1.2%	
Albany	1945	20000	1.0%	
Albany	1946	12000	1.2%	
Albany	1947	6000	1.1%	
Albany	1948	26000	1.5%	
Albany	1949	18500	3.2%	
Albany	1950	30166	5.1%	

RESPONDENT'S EXHIBIT No. 79-C

PREPARED BY _____ DATE _____
 REVIEWED BY _____ DATE _____
 1957 SHIPMENTS INTO BROKERAGE DISTRICTS (INCLUDING QUANTITIES SHIPPED FROM
 RESERVE WAREHOUSES) OF BORDEN BRAND EVAPORATED MILK PRODUCED AT
Wheat Ridge PLANT

SHIPMENTS		SHIPPED FROM RESERVE WAREHOUSES	
BROKERAGE DISTRICT	CASES	% OF TOTAL	CASES WAREHOUSES
Totals (from)	3,169	5.14	6,981
New Orleans	240	1.24	-
San Antonio	630	1.1	1,117
San Diego	1,100	3.7	3,150
San Francisco	514	1	-
San Jose	617	1	-
Portland	4,800	9.2	2,300
Portland	5,700	9.7	2,220
Portland	6,500	1.5	-
Portland	5,320	1	-
Portland	4,600	5.3	8,420
Portland	4,130	7.1	2,420
Portland	1,300	1.2	-
Portland	1,200	1.3	-
Portland	1,220	1.3	-
Portland	9,800	1.7	1,940
Portland	1,590	2.4	600
Totals	3,169	100%	13,500

..... SHIPMENTS % OF

SHIPPED FROM RESERVE

WAREHOUSES

CASES WAREHOUSES

PROCESSED DISTRICT CASES TOTAL

Alabama	NY	1902	33 1/2	1
Alaska	Pa	2850	2	-
Arizona	Pa	1150	2	-
Arkansas	Pa	1150	2	-
California	Pa	4424	85	-
Colorado	Pa	1200	2	-
Connecticut	Pa	1125	3	-
Delaware	Pa	7160	125	13 1/2
District of Columbia	Pa	35340	62	-
Florida	Pa	725	1	-
Georgia	Pa	2315	4	-
Idaho	Pa	1400	2	-
Illinois	Pa	1370	2	-
Indiana	Pa	16750	29	-
Iowa	Pa	650	1	-
Kansas	Pa	1210	2	-
Kentucky	Pa	645	1.1	-
Louisiana	Pa	375	1	-
Maine	Pa	1700	3	-
Maryland	Pa	2370	4	-
Massachusetts	Pa	2100	4	-
Michigan	Pa	14029	25	475
Minnesota	Pa	1175	2	-
Mississippi	Pa	1600	3	-
Missouri	Pa	2325	4	-
Montana	Pa	750	1	-
Nebraska	Pa	665	1	-
Nevada	Pa	1350	2	-
New Hampshire	Pa	5725	45	47.7
New Jersey	Pa	44725	75	-
New Mexico	Pa	26175	46	-
New York	Pa	96175	165	126.2
North Carolina	Pa	1350	2	-
North Dakota	Pa	23000	40	-
Ohio	Pa	2165	4	-
Oklahoma	Pa	10625	17	1310
Oregon	Pa	14825	16.4	9650
Pennsylvania	Pa	2365	4	-
Rhode Island	Pa	2540	5	-
South Carolina	Pa	9675	17	3400
South Dakota	Pa	6465	10	1469
Tennessee	Pa	10465	17	3400
Texas	Pa	10465	17	3400
Utah	Pa	10465	17	3400
Vermont	Pa	10465	17	3400
Virginia	Pa	10465	17	3400
Washington	Pa	10465	17	3400
West Virginia	Pa	10465	17	3400
Wisconsin	Pa	10465	17	3400
Wyoming	Pa	10465	17	3400

183

7225

DATE	DATE
------	------

PLANT

SHIPMENTS		SHIPPED FROM RESERVE WAREHOUSES	
BROKERAGE DISTRICT	CASES	% OF TOTAL	CASES WAREHOUSE
Total (Peru)	5400	100.0	5400
Southern	2200	40.7	
Peru	4100	76.1	
Synthetic	1600	29.6	
Tamp	3400	62.9	
Total	5400	100.0	5400

SHIPPED FROM RESERVE
WAREHOUSES

939
RESPONDENT'S EXHIBIT No. 79-H

SHIPMENTS

% OF

CASES WAREHOUSES

BROTAGE DISTRICT

CASES

TOTAL

Albany	NY	4	1.1	1.1	
Albany	Pa	2450	1.3		
Albany	Va	27220	12.5		
Albany	Mass	516	2.3		
Albany	NY	7420	4.1		
Albany	W Va	3110	1.4		
Albany	W Va	13255	5.8		
Albany	Pa	1645	7.1		
Albany	Pa	25205	1.1		
Albany	Pa	7710	4.4		
Albany	Pa	431	1.1		
Albany	Pa	1410	1.6		
Albany	Pa	1050	5.5		
Albany	Pa	1020	5.5		
Albany	Pa	710	5.5		
Albany	Pa	2400	1.1		
Albany	Pa	2135	1.3		
Albany	Pa	10170	4.6		
Albany	Pa	10106	4.5		
Albany	Pa	12000	5.5		
Albany	Pa	22121	9.1		
Albany	Pa	15000	6.7		
Albany	Pa	5245	2.4		
Albany	Pa	11205	5.0		
Albany	Pa	11350	5.1		
Albany	Pa	12320	5.5		
Albany	Pa	3375	1.5		
Albany	Pa	2520	1.2		
Albany	Pa	11465	5.2		

Total 202,649 101.0 %

8293

By 7-2-1 7-2-1

Amounts of Borden Brand Evaporated Milk

Purchased By

Handlers of Borden-Packed Private Label

Note: The handlers referred to below include all of those listed in paragraphs 1-5 of CX 5296, except those who began purchasing Borden-packed private label after December 31, 1957.

Annual Purchases of Borden Brand
(cases, on tall size basis)

1955 1956 1957

A. Handlers who began handling Borden-packed private label in 1956 or earlier

183,501 175,343 176,624

B. Handlers who began handling Borden-packed private label in 1957

408,516 389,726 396,225

FEDERAL TRADE COMMISSION
 RECEIVED 7/29 86
 Borden's
 8/20/60
 By
 T.H.

PY-88, inc
 12-11-60

THE BORDEN COMPANY

Sales of Borden Brand and Private Label
Evaporated Milk - 1952

(Cases, tall 48 size basis)

Borden Brand	4,650,921
Private Label	584,931
Total	<u>5,235,852</u>

NATIONAL
ANALYSTS

TABLE 1

Proportions of Respondents Purchasing Borden Brand and Private Label
Evaporated Milk at Varying Price Differentials*

Price Differential per Can**	Total Purchasers	Purchased Borden Brand		Purchased Private Label		Standard Error of Percentage
		Percent		Percent		
0¢	311	86.5		13.5		1.9
1¢	269	74.0		26.0		2.7
2¢	331	71.6		28.4		2.5
3¢	364	63.2		36.8		2.5
4¢	356	69.9		30.1		2.4
5¢	320	68.4		31.6		2.6

*There were a total of 1,951 purchasers, of whom 1,403 or 72% purchased Borden brand and 548 or 28% purchased private label.

**The price of the Borden brand remained constant at three cans for 49¢. The private label brand varied downward accordingly.

FEDERAL TRADE COMMISSION

DOCKET NO. 7129

IN THE MATTER OF

DATE 7-11-61

WITNESS

ACE REPORTING CO., INC. Official Reporter

By AB B. Carter

COMMISSION EXHIBIT NO. BORDEN BRAND, 1957

102-A

Borden

Official Reporter

By AB B. Carter

Cases

Percentages of Year

Jan-June July-Dec. Jan-June July-Dec.

Chester and Lewisburg
"Sales", per Mr. Steele's
method

59,255 275,716 17.7% 82.3%

Actual Sales, Tall 48's
and Small 48's,
Southern Division

881,638 841,074.5 51.2% 48.8%

Actual Sales, Total

2,180,741.79 2,133,668.93 50.5% 49.5%

Chester and Lewisburg
Shipments, per
CX5243-5248 and
5263-5270

120,519 148,142 44.9% 55.1%

Chester and Lewisburg
Plant Shipments -
Direct to Customers

495,373 283,067.5 63.6% 36.4%

Chester and Lewisburg
Plant Shipments -
Direct to Customers
and to Consignment
Warehouses

664,454 436,553.5 60.3% 39.7%

Chester and Lewisburg
Plant Shipments -
Total (direct to
customers; to consign-
ment warehouses; and to
reserve warehouses)

860,749 672,399.5 56.1% 43.9%

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Ry 102-17

FILE 7-11-61 WARD'S BARRY
ACE REPORTING CO., INC. CHICAGO REPORTER
BY J. H. Parker

BORDEN BRAND, NOVEMBER AND DECEMBER, 1957

"Sales", per Mr. Steele's Method:

	<u>Cases</u>	<u>Amount</u>
November	51,661.5	\$337,246.88
December	<u>49,395.5</u>	<u>326,010.30</u>
Total	101,057	\$663,257.18

Average Price: \$6.5632

Actual Sales, Southern Division:

	<u>Cases</u>	<u>Dollars</u>
November	259,746.5	\$1,675,114.89
December	<u>88,516.5</u>	<u>581,201.57</u>
Total	348,263	\$2,256,316.46

Average Price: \$6.4788

COMPUTATION OF PRICE DIFFERENTIAL FROM CX5243-5248 and CX5263-5270

CX	Number of Cases	Borden Brand Amount	Private Label Amount
5243	14,000	\$ 90,724.50	\$ 68,934.24
5244	11,040	71,406.75	54,189.63
5245	19,124	123,349.80	94,017.21
5246	13,300	85,784.50	65,761.36
5247	13,770	89,140.75	67,716.04
5248	5,825	37,571.25	28,822.47
5263	18,725	119,711.25	93,369.98
5264	19,040	121,777.50	94,714.90
5265	19,246	123,007.20	95,836.06
5266	23,475	151,016.25	116,758.04
5267	23,150	148,553.75	115,467.96
5268	38,875	250,368.75	193,543.12
5269	16,720	107,562.75	83,102.68
Total	236,290	\$1,519,975.00	\$1,172,233.69

Average Prices per case:

Borden Brand:	\$6.4327
Private Label:	4.9610
Differential	\$1.4717

FEDERAL TRADE COMMISSION
 ORDER IN 7/29
 IN THE MATTER OF
 DATE 7-11-61
 WITNESSES
 ACE REPORTING CO. INC. Official Reporter
 BY *W. H. H. H.*

Borden Brand-Southern Division

	<u>Cases</u>	<u>Dollars</u>	<u>Cases</u>	<u>Price per Case</u>	<u>Dollars (Cases multiplied by price per case)</u>
Jan.	140,304.5	\$ 884,236.54	140,304.5	\$5.0393	\$ 707,036.47
Feb.	161,138	1,015,466.67	161,138	5.0216	809,170.58
March	188,617.5	1,187,470.56	188,617.5	4.9709	937,598.73
April	191,990	1,213,643.66	191,990	4.8999	940,731.80
May	93,680.5	604,678.18	93,680.5	4.8792	457,085.90
June	105,907.5	682,813.41	105,907.5	4.8855	517,411.09
July	118,439.5	764,244.81	118,439.5	4.8616	575,805.47
Aug.	130,476.5	841,837.23	130,476.5	4.8775	636,399.13
Sept.	130,163	839,709.98	130,163	4.8783	634,974.16
Oct.	113,732.5	733,176.59	113,732.5	4.9056	557,926.15
Nov.	259,746.5	1,675,114.89	259,746.5	4.9471	1,284,991.91
Dec.	88,516.5	581,201.57	88,516.5	4.9914	441,821.26
Total	1,722,712.5	\$11,023,594.09	1,722,712.5		\$8,500,952.65

Average Prices per case:

Borden Brand: \$6.3990

Private Label: 4.9346

Differential \$1.4644

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FEDERAL TRADE COMMISSION
 EXHIBIT NO. 7129 ~~EXHIBIT NO. 107-A~~
 IN THE MATTER OF *Borden*
 DATE 7-11-61 *WILLIS VANCEY*
 AGE REPORTING CO. INC. ORIGIN REPORTED
 BY *W. Vancey* 8811

RESPONDENT'S EXHIBIT No. 107-A

RESPONDENT'S EXHIBIT No. 114

IN CANADA

FEDERAL TRADE COMMISSION

DOCKET NO. 7129 EXHIBIT NO.

IN THE MATTER OF

DATE 7-1-53

AGE REPORTING CO. INC. Confidential Report

By

Summary of Price Differences and Cost Differences between Sale and
Distribution of Borden Brand Evaporated Milk with Private Label
Evaporated Milk shipped from Chester, S. C. and Lewisburg, Tenn. Plants -
Year 1957.

	Borden Brand			Private Label		
	No. of Cases	Total Amount	Per Case	No. of Cases	Total Amount	Per Case
Gross Sales	334,971	\$2,169,310.15	\$6.4761	334,971	\$1,648,865.71	\$4.9224
Less: Sales Deductions:						
Damaged Goods		3,751.68	.0112		1,509.66	.0045
Cash Discount		43,311.17	.1293		-	-
Net Sales		\$2,122,247.30	\$6.3356		\$1,647,356.05	\$4.9179
Costs and Expenses:						
Label and Cartons		\$ 56,777.58	\$.1695		\$ 38,035.65	\$.1135
Primary Freight		93,892.37	.2803		450.12	.0013
Secondary Freight		3,751.68	.0112		-	-
Reserve Storage		32,559.18	.0972		-	-
Consignment Storage		10,216.61	.0305		-	-
Investment in Accounts Receivable & Inventories		-	-		-	-
Premium Label Redemption		75,267.98	.2247		-	-
Advertising		39,794.55	.1188		-	-
Sales Department		97,677.54	.2916		301.47	.0009
Brokers' Commissions		13,197.86	.0394		4,220.63	.0126
Promotion Department		6,330.95	.0189		4,120.14	.0123
Clerical Expense		5,058.06	.0151		2,076.82	.0062
Total Costs and Expenses		\$ 434,524.36	\$1.2972		\$ 49,204.83	\$.1468
Cost Failure						

1957

(2)

Borden brand compared with

dollar price ratio to

all Borden brand products

dollar sales for Southern

Division of Food Products Division

52.10%

Borden brand compared with

gross margin (after regular

adjustments) for all Borden

brand products gross margin

(after regular adjustments)

for Southern Division of Food

Products Division

42.82%

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RESPONDENT'S EXHIBIT No. 115

FEDERAL TRADE COMMISSION

DOCKET NO. 7129 RECEIVED EXHIBIT NO. 115

IN THE MATTER OF

FILE 7-11-59 Borden
Wm. S. Borden

AGE REPORTING CO., INC. Official Reporter

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By Wm. S. Borden

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